

Company Number 00972762
Charity Registration Number 269181

Benesco Charity Limited

Financial statements

5 April 2024

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Company information

Directors

The Hon Andrew Wolfson
Jonathan Ragol-Levy
Lord David Wolfson of Tredegar KC
Mikael Breuer-Weil

Auditor

BDO LLP
Two Snow Hill
Birmingham
B4 6GA

Bankers

Bank of Scotland
33 Old Broad Street
London branch
POBox 1000
BX2 1LB

Solicitors

Taylor Wessing LLP
Hill House
1 Little New Street
London
EC4A 3TR

Investment property managers

Metrus Limited
8-10 Hallam Street
London
W1W 6NS

Registered office

55 Baker Street
London
W1U 7EU

Charity registration number

269181

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BENESCO CHARITY LIMITED

(Limited by Guarantee)

Directors' report

The directors present their report and the financial statements for Benesco Charity Limited ("Benesco") for the year ended 5 April 2024.

Reference and administrative details of the charity, its directors and advisors

Benesco Charity Limited is a charitable company limited by guarantee.

The charity number, company number, present directors and advisors are given on page 1.

Directors & trustees

All the trustees of the charity are also directors of the charitable company, and there are no other directors. The directors who held office throughout the year were as follows:

The Hon Andrew Wolfson
Jonathan Ragol-Levy
Lord David Wolfson of Tredegar KC
Mikael Breuer-Weil

A director received remuneration for consultancy services provided to the charitable company, as outlined in Note 17.

Structure, governance and management

Governing document

Benesco Charity Limited is a registered charity and a company limited by guarantee incorporated on 18 February 1970. Every member of the charitable company undertakes to contribute to its assets in the event of winding up such amount, as may be required, not exceeding one pound.

Appointment of directors, organisational structure and related parties

Benesco passes a substantial proportion of its income to The Charles Wolfson Charitable Trust ("CWCT"), for distribution. CWCT is a grant-making charity, which derives the bulk of its income from grants received from Benesco. The majority of the members of Benesco are also the majority of the trustees of CWCT who therefore have the power to appoint and remove directors. The charitable company considers CWCT to be the ultimate holding organisation.

New directors upon appointment are provided with information about the practical mechanics as to how the charitable company transacts its business and advised who the key personnel are at our professional advisers. The quarterly board meetings are attended by the professionals so any updates to law/regulation/industry practice are discussed in this forum.

The charitable company is administered by a board of directors appointed by the members for their particular skills and experience which may benefit the charitable company in its operation. The board, the members of which serve on a voluntary basis, meets quarterly and receives regular reports on its properties and finances from its property managers and other advisors.

Risk management statement

The directors have examined the major strategic, business and operational risks which the charitable company faces and confirm that systems have been established to enable these risks to be managed to an acceptable level. The directors consider that the major risks to the charitable company are: a reduction in rental income reducing the ability to make donations; a significant fall in property values; and insufficient liquidity as assets are retained in property assets. These risks have been addressed by the appointment of professional property managers and the regular and close management of cash resources, together with input from external lawyers and independent consultant surveyor.

The directors consider there are no material uncertainties that would cast doubt on the charitable company continuing as a going concern.

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Directors' report (*continued*)

Objectives and activities

The objects of the charitable company ("the Objects") are to further any purpose or purposes recognised by the law of England as charitable. In furtherance of the Objects, the charitable company may apply the capital and income of the charitable company:

1. for the charitable purposes of such one or more of the bodies, associations and organisations being charitable, which the charitable company shall select; and
2. for such other charitable purposes as the charitable company shall select and in particular to make grants to The Charles Wolfson Charitable Trust to enable it to carry out its charitable objects.

Although the directors have power to apply both capital and income to charitable purposes, the medium and long term policy has been to preserve the capital and to expend the income, after giving consideration to the effects of inflation.

The directors have chosen to focus on property investment because, after allowing for annual running costs and renewals and refurbishment, the rental income over the years tends to keep pace with inflation, so long as the portfolio is well spread in appropriate properties. Income from property does not include monies spent and recouped by way of reimbursement from lessees, such as service charges, insurance premiums and the usual outgoings recovered.

The parent charity of Benesco Charity Limited is The Charles Wolfson Charitable Trust (Charity number: 238043). The Charles Wolfson Charitable Trust is a grant-making charity. The majority of the trustees of the Charles Wolfson Charitable Trust must be members of Benesco Charity Limited, and the majority of the members of Benesco Charity Limited will consist of trustees of the Charles Wolfson Charitable Trust who have the power to appoint and remove directors. Benesco Charity Limited is therefore controlled by The Charles Wolfson Charitable Trust. The consolidated accounts of Benesco Charity Limited and The Charles Wolfson Charitable Trust can be obtained from the Charity Commission.

Grant making policy

During the year, the charitable company continued to carry out its charitable activities through its policy of investment in property. Its charitable activities are the making of direct grants to CWCT, as well as other specific charities as approved by directors from time to time. The majority of the grants made are to CWCT, its holding organisation.

The normal policy of the directors of Benesco and the trustees of CWCT is not to make grants to individuals and to make grants in the UK only to registered charities, or to hospitals and schools and similar charitable institutions. The intention is to direct grants to the major areas listed below, especially for capital or fixed term projects, and with particular, but not exclusive, regard to the needs of the Jewish community. This statement of objectives is not intended as a formal limitation of the way that the directors may exercise their discretion from time to time.

1. Medicine
2. Education
3. Welfare

Public benefit

We have taken note of the Charity Commission's guidance on public benefit.

Achievements and performance

Investment policy and property report

The charitable company's investment policy is primarily to focus on property providing a good rental income to enable it to support its charitable objectives, combined with long term security to ensure the longevity of the charitable company. This policy in recent years has included ensuring that the properties meet the requirements of the Minimum Energy Efficiency Standards (MEES).

With this in mind, supported by the services of professional property managers, the charitable company invests to build what it considers to be a high-quality portfolio with the vast majority in commercial and non-residential property let to business tenants. The directors consider this policy to have been successful over previous years given both the income generation and the realised and unrealised gains in property values.

At the balance sheet date, the charitable company's property portfolio consisted of 7 commercial holdings, all of which were freehold.

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Directors’ report (continued)

Achievements and performance (continued)

The portfolio has been built up over 40 years, the first purchase having been made in February 1977.

The changes in fixed assets during the year are summarised in the notes to the financial statements. The original cost of the properties at the balance sheet date was £112,207,030 (2023: £109,979,631) against a current value of £136,900,000 (2023: £149,750,000). The valuations were conducted by the charitable company’s property managers on a market value basis. The rent roll at 5 April 2024 was £6,643,191 (2023: £6,464,323).

Grants made

During the year the charitable company made a grant to CWCT of £5,000,000 (2023: £15,200,000) and £101,848 (2023: £71,346) to other charities. See also the objectives and activities paragraphs for the charitable company’s grant policy. The Directors have been reviewing their investment policy to endeavour to obtain the best return on investments in the group as a whole. This has led to the decision to reduce the reliance on investment property. These funds have been invested by CWCT and can be seen to have increased the value of the portfolio held in recent years. Grants are recognised as a commitment when approved by the Board of Directors in accordance with the Charity SORP.

The charitable company also makes programme related investments which at 5 April 2024 totalled £58 (2023: £58). Programme related investments are loans and equity investments made by the charitable company which directly further the charitable company’s charitable objects which, at the same time, potentially will make a return. These are shown at cost less any impairment in value. Investments made to date were to assist companies developing products and services that will benefit the health sector including the NHS and NHS Trusts which is in accordance with the charitable objectives. One of the programme related investments was disposed of in the year to 5 April 2018. As part of the settlement on that disposal in the year ended 5 April 2018, Benesco received deferred shares but no value has been attributed to the deferred shares received.

The charitable company also makes mixed motive investments which at 5 April 2024 totalled £3,999,996 (2023: £nil). Mixed motive investments are assets which provide funding to an organisation in order to generate a financial return for the charity as well as furthering the charity’s objects and charitable purposes. These are measured at cost less impairment. An investment of £3,999,996 was made in Tokamak Energy Limited a British company which is striving to deliver clean, secure, affordable, nuclear fusion energy in 2030s. The reason behind this is that this proposed form of energy generation does not generate greenhouse gases or create any radioactive waste. In addition to providing electricity, it can also provide heat for key industrial processes.

Financial review

Incoming resources for the charitable company for the year totalled £7,085,579 (2023: £7,387,645). Charitable expenditure totalled £5,394,424 (2023: £15,520,221) and costs of raising funds totalled £2,486,121 (2023: £2,020,847). After a net loss on revaluation and profit on sale of investment properties of £15,077,399 (2023: £23,901,231) and £nil (2023: profit of £nil) respectively, the net movement in funds for the year results in a deficit of £15,872,365 (2023: £34,054,654).

Fund balances at the year-end are £137,756,223 (2023: £153,628,588): £136,900,000 (2023: £149,750,000) of which was represented by investment properties; £58 (2023: £58) programme related investments; £3,999,996 (2023: £nil) mixed motive investments; and net current liabilities of £3,143,831 (2023: net current assets £3,878,530).

Reserves policy

The total reserves of the Charity have reduced from £153,628,588 at 5 April 2023 to £137,756,223 at 5 April 2024. This is due to the net expenditure for the year being compounded by unrealised losses in investment properties of £15,077,399. At the end of the year the balances of the funds were:

	2024	2023
	£	£
Unrestricted General funds	(3,143,831)	3,878,530
Unrestricted Designated funds	140,900,054	149,750,058
Total reserves	137,756,223	153,628,588

In order to provide income to enable the charitable company to fulfil its charitable objectives and make grants, it is necessary to maintain and fund assets to generate this income.

BENESCO CHARITY LIMITED

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Directors' report *(continued)*

Reserves policy *(continued)*

The directors can designate unrestricted funds for a specific purpose where suitable to isolate funds from the General fund and ensure they are not used through normal operations. Where the Directors believe there is a future obligation to meet using funds held in the General fund, the Directors can agree to recognise a Designated fund and transfer assets from the General fund to the Designated fund.

The directors have a designated reserve, called the Property and Investment reserve. This represents the assets which are retained to ensure income generation and capital growth.

The Company must balance the need to maintain the assets with the need to have sufficient financial resources to carry on its activities in the long term.

The Company's reserves policy has the objective to generate income to meet the costs of the maintenance and improvement to properties as they fall due. Income generated and costs incurred are recognised through the General fund, and given the property costs it is expected that the balance of the General fund can fluctuate year on year. In some years a deficit can arise as a result of market conditions and / or improvements to the properties.

Unrestricted general funds, at 5 April 2024 amounted to £(3,143,831) (2023: £3,878,530). The directors are aware that the reduction in the unrestricted funds is a consequence of market conditions which resulted in a downward valuation of the property portfolio.

The balance of funds, together with this reserves policy, are taken into account alongside expected contributions to charitable expenditure in annual budgeting to establish the resources available for the Company's charitable objectives.

Plans for future periods

It is the directors' intention to continue to preserve the capital, invested predominately in property, with an emphasis on commercial rather than residential properties and to continue to make grants in accordance with its grants making policy.

International conflicts and inflation

With the ongoing military conflicts and the impact of inflation, the additional reporting put in place by the property managers has continued which includes updated cost estimates and reporting of capital expenditure. This information has assisted in providing guidance on the amounts available for charitable donations. The trustees of the Charles Wolfson Charitable trust (which is the principal recipient of the grants made by the charitable company) have been kept informed so that they can consider the appropriate quantum of grants/donations to be made.

Restrictions on distribution

The Memorandum of Association prohibits the distribution of income and property of the charitable company to the members. Upon dissolution or winding up of the charitable company the assets shall be given or transferred to some similar institution or institutions having objects similar to the charitable company.

Tax status

The charitable company is entitled to exemption from taxation on income and capital gains to the extent that its funds are applied for charitable purposes.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemption provided by part 15 of the Companies Act 2006.

Qualifying third party indemnity provisions

During the year and up to the date of approval of the financial statements, the charitable company had in place a third party indemnity provision for the benefit of all the directors of the charitable company, subject to the conditions set out in Section 234 of Companies Act 2006.

BENESCO CHARITY LIMITED

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Directors' report *(continued)*

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board of directors on 16 December 2024 and signed on their behalf.

DocuSigned by:

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The Hon Andrew Wolfson – Director

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Independent auditor's report to the members and trustees of Benesco Charity Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 5 April 2024 and of its incoming resources and application of resources 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 Companies Act 2006.

We have audited the financial statements of Benesco Charity Limited ("the Charitable Company") for the year ended 5 April 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Directors' 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 Charitable Company'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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

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Independent auditor's report to the members and trustees of Benesco Charity Limited *(continued)*

Other Companies Act 2006 reporting

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

- the information given in the Directors' Report, which includes the Trustees' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

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

Responsibilities of Directors

As explained more fully in the Statement of directors' responsibilities, the Directors 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 Directors 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 Directors are responsible for assessing the Charitable Company'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 Directors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Independent auditor's report to the members and trustees of Benesco Charity Limited *(continued)*

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), Charities Act 2011 and Companies Act 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Health and Safety Act 1974, Data Protection Act 2018, Employment Rights Act 1996, and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- A review of estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of systematic bias; and
- Testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

BENESCO CHARITY LIMITED (Limited by Guarantee)

Independent auditor's report to the members and trustees of Benesco Charity Limited (continued)

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company'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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Samantha Lifford

FC86A145C4F045E6
Samantha Lifford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham, UK
Date: 18 December 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BENESCO CHARITY LIMITED

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Statement of financial activities (incorporating the income and expenditure account)

Year ended 5 April 2024

	Notes	Unrestricted funds General funds £	Designated funds £	2024 Total £	2023 Total £
Income					
Investment income					
- Rental income	2	6,935,451	-	6,935,451	7,158,692
- Bank interest		2,459	-	2,459	3,354
- Dilapidations		139,013	-	139,013	201,750
- Investment interest		8,656	-	8,656	-
Other Income		-	-	-	23,849
Total income		7,085,579	-	7,085,579	7,387,645
Expenditure					
Costs of raising funds	3	2,486,121	-	2,486,121	2,020,847
Charitable activities	4	5,394,424	-	5,394,424	15,520,221
Total expenditure		7,880,545	-	7,880,545	17,541,068
Net (expenditure) before gains on Investment properties		(794,966)	-	(794,966)	(10,153,423)
Net gains and losses on investment properties					
Realised gain on revaluation		-	-	-	-
- Investment properties		-	-	-	-
Unrealised loss on revaluation		-	-	-	-
- Investment properties	8	-	(15,077,399)	(15,077,399)	(23,901,231)
Net expenditure		(794,966)	(15,077,399)	(15,872,365)	(34,054,654)
Transfers between funds		(6,227,395)	6,227,395	-	-
Net movement in funds		(7,022,361)	(8,850,004)	(15,872,365)	(34,054,654)
Reconciliation of funds:					
Fund balances brought forward		3,878,530	149,750,058	153,628,588	187,683,242
Fund balances carried forward		(3,143,831)	140,900,054	137,756,223	153,628,588

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure as stated above arises from continuing activities.

The notes on pages 15 to 23 form part of these financial statements

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Statement of financial activities (incorporating the income and expenditure account)

Year ended 5 April 2023 – comparative figures

	Notes	Unrestricted funds General funds £	Designated funds £	2023 Total £
Income				
Investment income				
- Rental income	2	7,158,692	-	7,158,692
- Bank interest		3,354	-	3,354
- Dilapidations		201,750	-	201,750
Other Income		23,849	-	23,849
Total income		7,387,645	-	7,387,645
Expenditure				
Costs of raising funds	3	2,020,847	-	2,020,847
Charitable activities	4	15,520,221	-	15,520,221
Total expenditure		17,541,068	-	17,541,068
Net (expenditure) before gains on Investment properties		(10,153,423)	-	(10,153,423)
Net gains and losses on investment properties				
Realised gain on revaluation		-	-	-
- Investment properties		-	-	-
Unrealised loss on revaluation		-	(23,901,231)	(23,901,231)
- Investment properties	8	-	(23,901,231)	(23,901,231)
Net expenditure		(10,153,423)	(23,901,231)	(34,054,654)
Transfers between funds		(4,101,231)	4,101,231	-
Net movement in funds		(14,254,654)	(19,800,000)	(34,054,654)
Reconciliation of funds:				
Fund balances brought forward		18,133,184	169,550,058	187,683,242
Fund balances carried forward		3,878,530	149,750,058	153,628,588

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure as stated above arises from continuing activities.

The notes on pages 15 to 23 form part of these financial statements

BENESCO CHARITY LIMITED


(Limited by Guarantee)

Balance sheet

As at 5 April 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	7	-	-
Investment property	8	136,900,000	149,750,000
Investments	9	4,000,054	58
		<u>140,900,054</u>	<u>149,750,058</u>
Current assets			
Debtors	10	1,761,945	2,521,602
Cash at bank, including deposits		558,263	3,338,679
		<u>2,320,208</u>	<u>5,860,281</u>
Creditors: amounts falling due within one year	11	<u>(5,464,039)</u>	<u>(1,981,751)</u>
Net current (liabilities)/assets		<u>(3,143,831)</u>	<u>3,878,530</u>
Total assets less current liabilities		<u>137,756,223</u>	<u>153,628,588</u>
Net assets		<u><u>137,756,223</u></u>	<u><u>153,628,588</u></u>
Unrestricted funds			
Designated funds:			
- Revaluation reserve		24,692,970	39,770,369
- Realised surplus on disposal		116,207,084	109,979,689
		<u>140,900,054</u>	<u>149,750,058</u>
General funds	12 13	<u>(3,143,831)</u>	<u>3,878,530</u>
		<u><u>137,756,223</u></u>	<u><u>153,628,588</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. These financial statements have been approved and authorised for issue by the board of directors on.. 16 December 2024.. and signed on their behalf.

DocuSigned by:

 8519A34135264CF...

The Hon Andrew Wolfson – Director

Company Registration Number - 00972762

The notes on pages 15 to 23 form part of these financial statements

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Cash flow statement

Year ended 5 April 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash (used in) operating activities	15a	(564,136)	(9,738,000)
Cash flows from investing activities:			
Interest receivable		11,115	3,354
Purchase of investment property, plant and equipment		(2,227,399)	(4,101,231)
Purchase of investments		(3,999,996)	-
Net cash (used in) investing activities		(6,216,280)	(4,097,877)
Cash flows from financing activities:			
Cash inflows from new borrowing from parent entity		4,000,000	-
Net cash provided by financing activities		4,000,000	-
Change in cash and cash equivalents in the reporting period		(2,780,416)	(13,835,877)
Cash and cash equivalents at the beginning of the period		3,338,679	17,174,556
Cash and cash equivalents at the end of the reporting period		558,263	3,338,679

The notes on pages 15 to 23 form part of these financial statements

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements

Year ended 5 April 2024

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

Benesco Charity Limited is a registered charity and a private company registered in England and Wales, limited by guarantee and incorporated in the UK on 18 February 1970 (Company number: 00972762, Charity number: 269181). The registered office address (55 Baker Street, London, United Kingdom, W1U 7EU). Information regarding the charitable company's objectives and activities are included within the Directors' report.

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

The charity meets the definition of a public entity under FRS102.

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

The functional currency is Pound Sterling (£) and the figures have been rounded to the nearest £1.

1.2 Preparation of the accounts on a going concern basis

The charity's approach, to rent collection is aligned with that set out in the Government's code of practice originally issued in June 2022. The majority of the tenants have resumed quarterly payments, with a very few paying monthly.

Cash flow remains sufficient to meeting our liabilities and the professional property managers continue to closely monitor the portfolio and report to the Directors on a regular basis. The charity will continue to make grants in accordance with its grant making policy, which will be in line with income generated. The directors have a reasonable expectation that the charity has sufficient resources to continue its activities for the foreseeable future and accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

The Directors have engaged with the property managers, external lawyers and an independent surveyor to prepare forecasts. These indicate that the charity has sufficient cash liquidity to meet its obligations as they fall due for a period of at least 12 months from approval of the financial statements.

After making appropriate enquiries, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, which is a period of at least 12 months from signing these accounts.

1.3 Estimates and judgements

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charitable company's accounting policies. Estimates and judgements are continually evaluated by the Directors based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The most significant estimates and judgements relate to the market value of the investment properties, for which the charitable company relies on the experience of property management experts.

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements *(continued)*

Year ended 5 April 2024

1.4 Incoming resources and resources expended

Incoming resources, including rent and interest, are recognised when receivable.

Donations and legacies are accounted for on a receivable basis. Grants payable are recognised in full at the point at which a legal or constructive obligation arises in line with the Charities SORP.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure involving more than one category has been apportioned by the Directors on a reasonable, justifiable and consistent basis.

1.5 Service charge

As agents of the charitable company, Metrus Limited, the company's investment property managers, manage the service charge account on behalf of the tenants of the charitable company's investment properties. Costs are reimbursed by the tenants, these are not included in the income and expenditure account of the charitable company as they are incurred solely on behalf of the tenants and consequently are dealt with in the service charge accounts of Metrus Limited with regard to each property. Sinking funds held for maintenance are held by Metrus Limited on behalf of the charitable company.

1.6 Provision of services

The directors receive no remuneration for their services. Furthermore, no value has been attributed to the provision of services by the directors (note 17).

1.7 Designated funds

Designated funds are as follows:

Property and investment capital fund

An amount equal to the carrying value of the investment properties and investments is held in the property and investment capital fund in order to allow for the ongoing generation of income to enable the charitable company to continue to make their donations and fulfil their charitable objectives.

1.8 Tangible fixed assets and depreciation

Investment properties

Investment properties are re-valued annually and included in the balance sheet at their market value. The surplus or deficit over book value is transferred to the unrealised revaluation fund which forms part of the designated funds.

Purchases and sales of investment properties, and any deposits paid or received in respect thereto, are recognised in the financial statements on completion.

Office equipment

Depreciation is provided on office equipment so as to write off its cost less estimated residual value over its expected useful life of 5 years on a straight line basis.

Depreciation policy

Depreciation is charged at the following rates:

Office equipment - 20% on a straight line basis

1.9 Fixed asset investments

Programme related investments

Programme related investments are loans and equity investments made by the charitable company which directly further the charitable company's objects which, at the same time, potentially will make a return. These are shown at cost less any impairment in value. Details of these investments are included in note 9.

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements (continued)

Year ended 5 April 2024

1.9 Fixed asset investments (continued)

Mixed motive investments

The charity recognises as mixed motive investments those assets which provide funding to an organisation in order to generate a financial return for the charity as well as furthering the charity's objects and charitable purposes. Details of these investments are included in note 9.

Where the investment takes the form of ordinary, or preference shares it is measured on the balance sheet at the reporting date either:

- At its fair value, if this can be measured reliably; or
- If its fair value cannot be measured reliably, at its cost less impairment.

Where the investment is measured at cost less impairment, the Directors assess the investment for objective evidence of impairment at the end of each reporting period.

1.10 Financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors. Financial assets that are 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 amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

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. Investment income

	2024	2023
	£	£
Rents receivable	6,935,451	7,158,692
Bank interest	2,459	3,354
Dilapidations	139,013	201,750
Investment interest	8,656	-
Total investment income	7,085,579	7,363,796

3. Costs of raising funds

	2024	2023
	£	£
Property expenses		
Repairs, rates and other non-rechargeable property expenses	1,995,198	1,419,604
Recovery of expenses previously expensed	(168,591)	(29,350)
	1,826,607	1,390,254
Property management expenses		
Agents' management fees not recoverable	284,950	362,045
Agents' rent review and letting fees	327,138	167,612
Legal expenses	47,426	100,936
	659,514	630,593
Total property expenses	2,486,121	2,020,847

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements (continued)

Year ended 5 April 2024

4. Charitable activities

	2024	2023
	£	£
Grants payable (see note 5)	5,101,848	15,271,346
Indemnity Insurance	36,132	36,149
Consultancy and professional fees	118,900	69,693
General office expenditure	62,190	71,643
Sundry expenses	703	390
Governance costs (see note 6)	74,651	71,000
	5,394,424	15,520,221

There were no directors reimbursed for expenses during the year (2023: £Nil). During the year no directors remuneration was paid (2023: £Nil).

5. Grants payable

	2024	2023
	£	£
The Charles Wolfson Charitable Trust	5,000,000	15,200,000
In relation to education	25,000	25,500
In relation to medicine	-	5,000
In relation to welfare	76,848	40,846
	5,101,848	15,271,346

An analysis of grants paid in the year is as follows:

	2024	2023
	£	£
Education		
Grants made of less than £5,000	-	3,000
Grants made of between £5,000 and £9,999	5,000	12,500
Grants made of between £10,000 and £49,999	20,000	10,000
Medicine		
Grants made of less than £5,000	-	-
Grants made of between £5,000 and £9,999	-	5,000
Welfare		
Grants made of less than £5,000	4,348	-
Grants made of between £5,000 and £9,999	10,000	10,000
Grants made of between £10,000 and £49,999	62,500	30,846
	101,848	71,346

6. Governance costs

	2024	2023
	£	£
Audit fees	64,500	71,000
Accountancy fees	10,151	-
	74,651	71,000

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements *(continued)*

Year ended 5 April 2024

7. Tangible fixed assets

	Office equipment £	Total £
Cost		
At 5 April 2023	6,693	6,693
Disposal	(2,220)	(2,220)
At 5 April 2024	<u>4,473</u>	<u>4,473</u>
Depreciation		
At 5 April 2023	6,693	6,693
Depreciation on disposal	(2,220)	(2,220)
At 5 April 2024	<u>4,473</u>	<u>4,473</u>
Net book value		
At 5 April 2024	<u>-</u>	<u>-</u>
At 5 April 2023	<u>-</u>	<u>-</u>

8. Investment Property

	Investment properties Freehold £	Total £
Valuation		
At 5 April 2023	149,750,000	149,750,000
Addition	2,227,399	2,227,399
Net loss on revaluation	(15,077,399)	(15,077,399)
At 5 April 2024	<u>136,900,000</u>	<u>136,900,000</u>
Net book value		
At 5 April 2024	<u>136,900,000</u>	<u>136,900,000</u>
At 5 April 2023	<u>149,750,000</u>	<u>149,750,000</u>

The investment properties have been valued at 5 April 2024 by an independent professionally qualified RICS valuer. The valuations were undertaken in accordance with RICS Valuation – Global Standards (effective 31 January 2020).

If stated under historical cost principles, the comparable amounts for the investment properties would be:

	2024 £	2023 £
Cost	<u>112,207,030</u>	<u>109,979,631</u>

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements *(continued)*

Year ended 5 April 2024

9. Fixed asset investments

Fixed asset investments comprise:

	2024	2023	
	£	£	
Social investments	4,000,054	58	
Investments held at cost less impairment			
	Programme Related Investments	Mixed Motive Investments	Total investments
	£	£	£
Cost			
At 5 April 2023	58	-	58
Additions	-	3,999,996	3,999,996
At 5 April 2024	58	3,999,996	4,000,054
Net book value			
At 5 April 2024	58	3,999,996	4,000,054
At 5 April 2023	58	-	58

Programme related investments:

As at 5 April 2024, Benesco held a 49% (2023: 49%) stake in Soza Health Limited, a company which provides diagnostic and other services to the Health sector. On 24 August 2016, Lord Wolfson of Sunningdale, and The Hon Andrew Daniel Wolfson were appointed as non-executive directors. Lord Wolfson of Sunningdale resigned as a director on 27 April 2021. In the year ended 31 March 2024 unaudited financial statements indicate a loss of £55,644 (2023: £153,485), with a deficit on capital and reserves of £437,218 (2023: £381,574).

Mixed motive investments

During the year Benesco purchased 714,285 shares in Tokamak Energy Ltd, a company which aims to harness Nuclear Fusion energy to generate electricity in a "green" environment. As at 5 April 2024, Benesco held a 1% stake in Tokamak Energy Ltd.

The Charity measures the investment at cost less impairment given that reliable data cannot be obtained regarding its fair value. As at 5 April 2024, the directors assessed the investment for impairment. No indicators of impairment were found.

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements (continued)

Year ended 5 April 2024

10. Debtors

	2024	2023
	£	£
Due from managing agents	690,756	967,964
Rent arrears	-	177,586
Other debtors and prepayments	1,071,189	1,238,374
Amounts owed from group undertakings	-	137,678
	<u>1,761,945</u>	<u>2,521,602</u>

All amounts shown under debtors fall due for payment within one year.

11. Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxes and social security	201,158	179,507
Accruals and deferred income	1,336,393	1,378,359
Other creditors	64,166	423,885
Amounts due to group undertakings	3,862,322	-
	<u>5,464,039</u>	<u>1,981,751</u>

Deferred income relates to a quarters rent received in advance and amounted to £1,181,555. The prior year balance of £1,239,926 was released in the current year.

Amounts due to group undertakings are interest free and repayable on demand.

12. Designated funds

	Property & investment capital fund			
	Realised surplus on disposal	Revaluation fund	2024 Total	2023 Total
	£	£	£	£
At 6 April 2023	109,979,689	39,770,369	149,750,058	169,550,058
Movement due to revaluation in year	-	(15,077,399)	(15,077,399)	(23,901,231)
Transfers between funds	6,227,395	-	6,227,395	4,101,231
	<u>116,207,084</u>	<u>24,692,970</u>	<u>140,900,054</u>	<u>149,750,058</u>

The transfers between funds above and in general funds bring the designated funds in line with the total of the investments in property and other investments.

13. General funds

	2024	2023
	£	£
At 5 April 2023	3,878,530	18,133,184
Transfers between funds	(6,227,395)	(4,101,231)
Net (expenditure)	(794,966)	(10,153,423)
	<u>(3,143,831)</u>	<u>3,878,530</u>

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements *(continued)*

Year ended 5 April 2024

14. Analysis of net assets between funds

	General funds £	Designated funds £	2024 Total £
2024			
Fixed assets	-	140,900,054	140,900,054
Current assets	2,320,208	-	2,320,208
Creditors	(5,464,039)	-	(5,464,039)
	(3,143,831)	140,900,054	137,756,223
	General funds £	Designated funds £	2023 Total £
2023			
Fixed assets	-	149,750,058	149,750,058
Current assets	5,860,281	-	5,860,281
Creditors	(1,981,751)	-	(1,981,751)
	3,878,530	149,750,058	153,628,588

15. Notes to the cash flow statement

(a) Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(15,872,365)	(34,054,654)
Interest receivable	(11,115)	(3,354)
Unrealised losses on investment property	15,077,399	23,901,231
Decrease in debtors	759,657	1,095,134
Decrease in creditors	(517,712)	(676,357)
Net cash (used in) operating activities	(564,136)	(9,738,000)

(b) Analysis of changes in net debt

	At 5 April 2023 £	Cash flow £	At 5 April 2024 £
Cash in hand and at bank	3,338,679	(2,780,416)	558,263

(c) Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	558,263	3,338,679

BENESCO CHARITY LIMITED

(Limited by Guarantee)

Notes to the financial statements (*continued*)

Year ended 5 April 2024

16. Commitments under operating leases

Lessor

The Charity leases out the investment properties under non-cancellable operating leases for the following future minimum lease payments.

	2024	2023
	£	£
Not later than one year	5,159,223	5,240,856
Later than one year and not later than five years	13,326,462	12,151,131
Later than five years	6,069,261	7,809,633
	<u>24,554,946</u>	<u>25,201,620</u>

Excluded from the above is £941,279 (2023: £783,298) of contingent rents which are based on turnover and profit share of the tenants.

17. Related party transactions

Advantage has been taken of the exemption conferred by FRS 102 not to disclose transactions between group entities, because the financial statements of the ultimate parent organisation, within which this charitable company's results are consolidated, are publicly available from its registered office.

As set out in note 9 to these financial statements, the charitable company holds an investment in Soza Health Limited, a company in which The Hon Andrew Wolfson is non-executive director.

As set out in note 9, the charitable company holds an investment in Tokamak Energy Ltd, a company in which Lord Simon Wolfson of Aspley Guise is an appointing shareholder.

A director was remunerated £40,000 (2023: £40,000) in respect of consultancy services during the year.

18. Control of company

The charitable company considers The Charles Wolfson Charitable Trust, a charity registered in England and Wales (charity registration number 238043), to be the ultimate holding organisation.

The smallest and largest group to consolidate these financial statements is The Charles Wolfson Charitable Trust. Consolidated accounts which include the Charity's accounts can be obtained from the registered address of The Charles Wolfson Charitable Trust, 8-10 Hallam Street, London, W1W 6NS