

**THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION CIO  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Lilian Hochhauser CBE (Chair)  
Shari Greenberg  
Simon Hochhauser  
Mark Sofer  
Daniel Hochhauser

**Charity number**

1180783

**Independent examiner**

Bright Grahame Murray  
Emperor's Gate  
114a Cromwell Road  
Kensington  
London  
SW7 4AG

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# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

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# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives, activities and aims**

The charity's objects are, as approved by the Charity Commission, the advancement of such charitable purposes as the trustees in their absolute discretion consider appropriate. The aims of the charity are mainly to support other charities in their work by the granting of donations for either general use or specific projects, which reflects the purposes for which the charity was set up to further.

The trustees have agreed that the primary areas of focus for the charity will be as follows:-

- charities connected with the Jewish community; and
- charities which support charitable projects in Israel; and
- charities which focus on music and the arts; and
- charities which provide social care or health care or which fund medical research.

#### **Public Benefit**

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

#### **Achievements and performance**

The charity made 21 donations during the period totalling £64,285. The largest donation made during the year was £25,000 to the University College London Hospitals Charity.

#### **Financial review**

Income for 2020 totalled £44,336 with £41,875 donations (including gift aid claims) from the trustees of the charity and the rest from interest on bank deposits. Expenditure totaled £71,270 and the net position was a surplus of £1,208,000.

#### **Reserves policy**

At 31 December 2020, the charity held reserves of £1,208,000. It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained. Capital funds are maintained in order to generate investment income and to fund the charity's objectives as no other fund-raising activities are undertaken.

#### **Risk management**

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. There are no principal risks to which the charity is currently exposed to as all funds are currently held in cash with financial institutions with high credit ratings.

#### **Investment of Funds**

On 25 September 2020, the charity entered into an agreement with Sarasin & Partners LLP ("Sarasin") whereby Sarasin will manage the investment portfolio of the charity in accordance with the charity's Investment Policy. The bulk of its funds were subsequently transferred to the Sarasin portfolio.

#### **Plans for future periods**

The charity has no plans to change its current objectives and activities and intends to continue making donations as long as resources are available.

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# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Structure, governance and management

The charity is a registered Charitable Incorporated Organisation (CIO) (Charity registration no 1180783), registered on 21 November 2018. It is governed by a constitution which established the objects and powers of the charitable organisation.

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

Lilian Hochhauser CBE (Chair)

Shari Greenberg

Simon Hochhauser

Mark Sofer

Daniel Hochhauser

All of the above trustees were appointed on 21 November 2018.

Apart from the first charity trustees listed above who are appointed for lifetime, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

All trustees give their time voluntarily and receive no benefits from the charity.

The founders of the CIO were Victor Hochhauser and Lilian Hochhauser. The organisational structure is such that the trustees are the officers of the organisation.

The board of trustees meets three times a year and gives detailed consideration to monitoring the progress of the charity in achieving its performance and objectives. This includes separating out returns from investments, governance reviews, grant strategies, approving grant applications as well as identification and management of risk.

A Small Grants Committee has been established to ensure small grants, subject to strict set limits, can be made between formal meetings of the trustees. The chair of this committee is Lilian Hochhauser, the other members being Simon Hochhauser and Daniel Hochhauser.

### Post Balance Sheet events

On 31 January 2021, the charity entered into an agreement with the Royal College of Music. Under the terms of the agreement, the Charity will grant a total of £500,000 over seven years, commencing in the 2021-2022 academic year. The grant will provide for six annual tuition scholarships to be known as The Victor and Lilian Hochhauser Scholarships.

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



Lilian Hochhauser CBE (Chair)

Trustee

Dated: 15.10.21

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

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I report to the trustees on my examination of the financial statements of The Victor and Lilian Hochhauser Foundation (the charity) for the year ended 31 December 2020.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

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

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

*Ahsan Miraj*

**Ahsan Miraj**  
**For and on behalf of**  
**Bright Grahame Murray**  
**Chartered Accountants**

Emperor's Gate  
114a Cromwell Road  
Kensington  
London  
SW7 4AG

Dated: 20 October 2021

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income from:</u></b>			
Donations and legacies	3	41,875	1,218,750
Investments	4	2,461	2,826
<b>Total income</b>		<u>44,336</u>	<u>1,221,576</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	<u>71,270</u>	<u>17,736</u>
Net gains/(losses) on investments	10	<u>31,094</u>	<u>-</u>
<b>Net movement in funds</b>		4,160	1,203,840
Fund balances at 1 January 2020		<u>1,203,840</u>	<u>-</u>
<b>Fund balances at 31 December 2020</b>		<u><u>1,208,000</u></u>	<u><u>1,203,840</u></u>

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

All income and expenditure derive from continuing activities.


# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

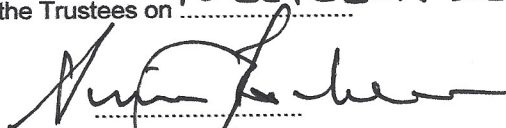
## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investments	11		1,131,094		-
<b>Current assets</b>					
Cash at bank and in hand		79,006		1,207,440	
<b>Creditors: amounts falling due within one year</b>	12	(2,100)		(3,600)	
Net current assets			76,906		1,203,840
<b>Total assets less current liabilities</b>			<u>1,208,000</u>		<u>1,203,840</u>
<b>Income funds</b>					
Unrestricted funds			1,208,000		1,203,840
			<u>1,208,000</u>		<u>1,203,840</u>

The financial statements were approved by the Trustees on 10 OCTOBER 2021

  
Lilian Hochhauser CBE (Chair)  
Trustee

  
Simon Hochhauser  
Trustee



# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

The Victor and Lilian Hochhauser Foundation is a registered Charitable Incorporated Organisation (CIO) (Charity registration no 1180783), registered on 21 November 2018. It is governed by a constitution which established the objects and powers of the charitable organisation..

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The Covid 19 pandemic has no impact on the charity's income as it is funded by the founders of the charity. At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

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

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

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

#### 1.4 Incoming resources

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

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

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

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

#### 1.5 Resources expended

All expenditure is included in the Statement of Financial Activities on an accruals basis.

Donations are payments made to third parties in the furtherance of the charitable objects of the Foundation, and are accounted for when the Trustees have agreed to pay the donation without conditions.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Investments are held and managed by a third party asset management firm, Sarasin & Partners LLP, and year end valuations are based on the portfolio report provided.

#### 1.7 Cash and cash equivalents

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

##### Basic financial assets

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

##### Basic financial liabilities

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

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

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

##### Derecognition of financial liabilities

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

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Critical accounting estimates and judgements

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

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

There were no critical accounting judgements and estimates made by the trustees in the preparation of these financial statements.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	41,875	1,218,750

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	2,461	2,826

### 5 Charitable activities

	2020	2019
	£	£
Grant funding of activities (see note 6)	64,285	9,900
Share of governance costs (see note 7)	6,985	7,836
	71,270	17,736

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Grants payable

	2020 £	2019 £
Grants to institutions:		
Israel Philharmonic Orchestra Foundation UK	2,000	5,000
Anglo-Israel Association	5,000	3,000
Ohel Sarah UK	1,000	500
Jewish Blind and Disabled	-	500
British Emunah Fund	1,000	500
KKL Charity Accounts	6,685	200
Food Lifeline	-	200
Royal Academy of Dance	5,000	-
United Synagogue	100	-
University Jewish Chaplaincy	4,000	-
University College London Hospitals Charity	25,000	-
Shabbaton Choir	1,000	-
Tzedek	1,000	-
Board of Deputies Charitable Foundation	3,000	-
Royal College of Music	3,000	-
Other	6,500	-
	<u>64,285</u>	<u>9,900</u>

### 7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Accountancy	-	3,084	3,084	-	4,236	4,236
Bank Charges	-	1	1	-	-	-
Audit fees	-	-	-	-	3,600	3,600
Legal and professional	-	3,900	3,900	-	-	-
	<u>-</u>	<u>6,985</u>	<u>6,985</u>	<u>-</u>	<u>7,836</u>	<u>7,836</u>
Analysed between Charitable activities	-	6,985	6,985	-	7,836	7,836

### 8 Trustees

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 Number	2019 Number
Total	-	-

	Unrestricted funds	Total
	2020 £	2019 £
Revaluation of investments	31,094	-

	Other investments
<b>Cost or valuation</b>	
At 1 January 2020	-
Additions	1,100,000
Valuation changes	31,094
	<hr/>
At 31 December 2020	1,131,094
	<hr/>
<b>Carrying amount</b>	
At 31 December 2020	1,131,094
	<hr/> <hr/>
At 31 December 2019	-

	2020	2019
	£	£
Investments at fair value comprise:		
UK Equity Funds	1,130,080	-
Cash on interest bearing deposits	1,014	-
	<u>1,131,094</u>	<u>-</u>

All investments are carried at their fair value.

# THE VICTOR AND LILIAN HOCHHAUSER FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 12 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	2,100	3,600
	<u>2,100</u>	<u>3,600</u>

### 13 Related party transactions

During the year the charity entered into the following transactions with related parties.

The charity received gross donations totalling £33,500 from two of the trustees.

During the year the charity made grants to institutions where potential conflicts of interest were present and therefore, as per the charity's policies, a trustee was removed from the decision making process in relation to the grant. These include £3,000 to the Board of Deputies Charitable Foundation, £25,000 to the University College London Hospitals Charity and £5,000 to the Anglo Israel Association.

### 14 Taxation

The charity is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.