

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales · Charity number 1046309

Details

Other names BEIS MENACHEM

Status Registered

Legal form Other

Registered 1995-05-11

Register [View on the Charity Commission register](#)

Contact

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Salford
M7 4JD

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Website www.beismenachem.org.uk

Activities

Objects: FURTHERENCE OF ORTHODOX JEWISH EDUCATION, RELIEF OF POVERTY AND ANY OTHER CHARITABLE ACTIVITY AS THE TRUSTEES MAY FROM TIME TO TIME AND IN THEIR ABSOLUTE DISCRETION THINK FIT

Activities: FURTHERENCE OF ORTHODOX JEWISH EDUCATION, RELIEF OF POVERTY AND ANY OTHER CHARITABLE ACTIVITY

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities, Amateur Sport
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies

Geography

- Bolton
- Bury
- Manchester City
- Oldham
- Rochdale
- Salford City
- Stockport
- Tameside
- Trafford
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2024-05-31	£403,468	£488,658	-	-
2023-05-31	£437,544	£190,667	-	-
2022-05-31	£140,696	£144,944	-	-
2021-05-31	£86,448	£84,540	-	-
2020-05-31	£81,973	£90,475	-	-

Trustees

Name	Role	Appointed
DAVID HICKSON		
GARY GLICKMAN		2025-10-10
RABBI JOSEF AKIVA COHEN		

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales - Charity number 1046309

Accounts

Beis Menachem Chabad Lubavitch
Unaudited Financial Statements
31 May 2024

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Financial Statements

Year ended 31 May 2024

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Beis Menachem Chabad Lubavitch

Trustees' Annual Report

Year ended 31 May 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2024.

Reference and administrative details

Registered charity name Beis Menachem Chabad Lubavitch

Charity registration number 1046309

Principal office Beis Menachem
Park Lane
Salford
M7 4JD

The trustees Rabbi Y A Cohen
D Hickson
S Weis

Independent examiner Mr Howard Schwalbe ACA
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2024

Structure, governance and management

Beis Menachem Chabad Lubavitch is constituted under a trust deed dated 2 May 1995 as amended on 2 July 2017. It was registered as a charity on 2 August 2004 with a charity number being 1046309.

Recruitment and appointment of new trustees would be in line with the trust deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Rabbi M Cohen on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making and other direct charitable activities. These risks are managed by the trustees researching potential beneficiaries before granting donations or engaging in direct charitable activity.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2024

Objectives and activities

The objects of the charity are the furtherance of orthodox Jewish education, relief of poverty and any other charitable activity as the trustees may from time to time and in their absolute discretion think fit.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charity's objects.

The application of the funds by way of grants is to either institutions or individuals.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants and direct charitable activity paid out for each object. The grants and direct activity paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2024

Achievements and performance

During the year the charity received £403,468 (2023: £437,544) in donations and other income. The charity paid out £488,658 (2023: £190,667) by way of direct costs, grants and support costs. These payments were all made in line with the stated objects of the charity.

The charity maintains a synagogue and community centre on its premises from where it carries out its educational activities and community work. Additionally, the charity paid out grants in furtherance of its charitable objects. During the year most of these went towards education. A breakdown between direct costs, grants and support costs can be found in the notes to the accounts. Mivzoim is a term used to reflect projects and community activities in line with the objects of the charity.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as detailed in the related party notes to the accounts.

There was an overall net deficit and net movement in funds for the year amounting to £85,190 (2023: gain of £246,877).

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self-evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The unrestricted fund represents the unrestricted funds arising from past operating results.

The trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the net current assets of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current assets of the charity stand at £43,354 (2023: £183,201), with £18,823 in the restricted fund and the balance in the unrestricted fund.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2024

The trustees' annual report was approved on 7 March 2025 and signed on behalf of the board of trustees by:

Rabbi Y A Cohen
Trustee

Beis Menachem Chabad Lubavitch

Independent Examiner's Report to the Trustees of Beis Menachem Chabad Lubavitch

Year ended 31 May 2024

I report to the trustees on my examination of the financial statements of Beis Menachem Chabad Lubavitch ('the charity') for the year ended 31 May 2024.

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 Act').

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

7 March 2025

Beis Menachem Chabad Lubavitch

Statement of Financial Activities

Year ended 31 May 2024

			2024		2023
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	354,741	21,789	376,530	437,540
Charitable activities	5	26,935	–	26,935	–
Investment income	6	3	–	3	4
Total income		<u>381,679</u>	<u>21,789</u>	<u>403,468</u>	<u>437,544</u>
Expenditure					
Expenditure on charitable activities	7,8	486,869	1,789	488,658	190,667
Total expenditure		<u>486,869</u>	<u>1,789</u>	<u>488,658</u>	<u>190,667</u>
Net (expenditure)/income		<u>(105,190)</u>	<u>20,000</u>	<u>(85,190)</u>	<u>246,877</u>
Transfers between funds		11,177	(11,177)	–	–
Net movement in funds		<u>(94,013)</u>	<u>8,823</u>	<u>(85,190)</u>	<u>246,877</u>
Reconciliation of funds					
Total funds brought forward		931,438	10,000	941,438	694,561
Total funds carried forward		<u>837,425</u>	<u>18,823</u>	<u>856,248</u>	<u>941,438</u>

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

The notes on pages 9 to 17 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Statement of Financial Position

31 May 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	15	812,894	758,237
Current assets			
Debtors	16	9,987	2,055
Cash at bank and in hand		69,771	193,235
		<u>79,758</u>	<u>195,290</u>
Creditors: amounts falling due within one year	17	<u>36,404</u>	<u>12,089</u>
Net current assets		<u>43,354</u>	<u>183,201</u>
Total assets less current liabilities		<u>856,248</u>	<u>941,438</u>
Net assets		<u>856,248</u>	<u>941,438</u>
Funds of the charity			
Restricted funds		18,823	10,000
Unrestricted funds		<u>837,425</u>	<u>931,438</u>
Total charity funds	18	<u>856,248</u>	<u>941,438</u>

These financial statements were approved by the board of trustees and authorised for issue on 7 March 2025, and are signed on behalf of the board by:

Rabbi Y A Cohen
Trustee

The notes on pages 9 to 17 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements

Year ended 31 May 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Beis Menachem, Park Lane, Salford, M7 4JD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The main judgements, estimates or assumptions that affect the amounts reported is the valuation of the freehold property. This is updated to fair value based on information supplied by independent valuers.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% straight line
Equipment	-	15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	354,741	–	354,741
Grants			
Mains Grants	–	20,000	20,000
CST	–	1,789	1,789
	<u>354,741</u>	<u>21,789</u>	<u>376,530</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	426,193	–	426,193
Grants			
Mains Grants	–	10,000	10,000
CST	–	1,347	1,347
	<u>426,193</u>	<u>11,347</u>	<u>437,540</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

5. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Income from provision of education	26,935	26,935	–	–

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	3	3	4	4

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Mivzoim and educational activity	394,725	1,789	396,514
Support costs	92,144	–	92,144
	<u>486,869</u>	<u>1,789</u>	<u>488,658</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Mivzoim and educational activity	171,779	1,347	173,126
Support costs	17,541	–	17,541
	<u>189,320</u>	<u>1,347</u>	<u>190,667</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2024 £	Total fund 2023 £
Mivzoim and educational activity	151,974	244,540	91,124	487,638	189,649
Governance costs	–	–	1,020	1,020	1,018
	<u>151,974</u>	<u>244,540</u>	<u>92,144</u>	<u>488,658</u>	<u>190,667</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

9. Analysis of support costs

	Analysis of support costs £	Total 2024 £	Total 2023 £
Staff costs	–	–	374
Premises	35,957	35,957	6,271
Communications and IT	909	909	1,419
General office	52,730	52,730	8,487
Finance costs	1,529	1,529	(30)
Governance costs	1,020	1,020	1,020
	<u>92,145</u>	<u>92,145</u>	<u>17,541</u>

10. Analysis of grants

	2024 £	2023 £
Grants to institutions		
OYY Lubavitch Boys School	87,956	96,567
Yad Veachisomoch L'Chaim	–	7,855
Educational grants	5,000	–
Shir Chesed	30,000	–
Grants to institutions < 2,000	8,770	11,313
	<u>131,726</u>	<u>115,735</u>
Grants to individuals		
Grants to individuals	112,814	28,987
Total grants	<u>244,540</u>	<u>144,722</u>

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	1,158	3,568
Foreign exchange differences	1,529	(30)

12. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,020</u>	<u>1,020</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	<u>44,861</u>	<u>374</u>

The average head count of employees during the year was 3 (2023: Nil).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 June 2023	755,800	24,805	3,531	784,136
Additions	51,624	708	3,483	55,815
At 31 May 2024	<u>807,424</u>	<u>25,513</u>	<u>7,014</u>	<u>839,951</u>
Depreciation				
At 1 June 2023	–	24,805	1,094	25,899
Charge for the year	–	106	1,052	1,158
At 31 May 2024	<u>–</u>	<u>24,911</u>	<u>2,146</u>	<u>27,057</u>
Carrying amount				
At 31 May 2024	<u>807,424</u>	<u>602</u>	<u>4,868</u>	<u>812,894</u>
At 31 May 2023	<u>755,800</u>	<u>–</u>	<u>2,437</u>	<u>758,237</u>

The trustees revalued the freehold property of the charity in the previous year on advice from a local property management company. The trustees consider the current fair value of the freehold property to be £807,424.

16. Debtors

	2024	2023
	£	£
Stripe - YLM	17	–
Other debtors	9,970	2,055
	<u>9,987</u>	<u>2,055</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

17. Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans and overdrafts	1	–
Trade creditors	13,348	9,397
Accruals and deferred income	2,040	2,692
Social security and other taxes	597	–
Loans	19,247	–
Other creditors	1,171	–
	<u>36,404</u>	<u>12,089</u>

18. Analysis of charitable funds

Unrestricted funds

	At 1 June 2023 £	Income £	Expenditure £	Transfers £	At 31 May 2024 £
General funds	<u>931,438</u>	<u>381,679</u>	<u>(486,869)</u>	<u>11,177</u>	<u>837,425</u>

	At 1 June 2022 £	Income £	Expenditure £	Transfers £	At 31 May 2023 £
General funds	<u>694,561</u>	<u>426,197</u>	<u>(189,320)</u>	<u>–</u>	<u>931,438</u>

Restricted funds

	At 1 June 2023 £	Income £	Expenditure £	Transfers £	At 31 May 2024 £
Restricted fund - grants received	<u>10,000</u>	<u>21,789</u>	<u>(1,789)</u>	<u>(11,177)</u>	<u>18,823</u>

	At 1 June 2022 £	Income £	Expenditure £	Transfers £	At 31 May 2023 £
Restricted fund - grants received	<u>–</u>	<u>11,347</u>	<u>(1,347)</u>	<u>–</u>	<u>10,000</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	812,894	–	812,894
Current assets	60,935	18,823	79,758
Creditors less than 1 year	(36,404)	–	(36,404)
Net assets	<u>837,425</u>	<u>18,823</u>	<u>856,248</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	758,237	–	758,237
Current assets	185,290	10,000	195,290
Creditors less than 1 year	(12,089)	–	(12,089)
Net assets	<u>931,438</u>	<u>10,000</u>	<u>941,438</u>

20. Related parties

Rabbi Y A Cohen and D Hickson, trustees of the charity, are also trustees of OYY Lubavitch Boys School. During the year, the charity donated £87,956 to OYY Lubavitch Boys School.

21. Taxation

Beis Menachem Chabad Lubavitch is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales - Charity number 1046309

Accounts

Beis Menachem Chabad Lubavitch
Unaudited Financial Statements
31 May 2023

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Financial Statements

Year ended 31 May 2023

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Beis Menachem Chabad Lubavitch

Trustees' Annual Report

Year ended 31 May 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2023.

Reference and administrative details

Registered charity name Beis Menachem Chabad Lubavitch

Charity registration number 1046309

Principal office Beis Menachem
Park Lane
Salford
M7 4JD

The trustees Rabbi Y A Cohen
D Hickson
S Weis

Independent examiner Mr Howard Schwalbe ACA
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2023

Structure, governance and management

Beis Menachem Chabad Lubavitch is constituted under a trust deed dated 2 May 1995 as amended on 2 July 2017. It was registered as a charity on 2 August 2004 with a charity number being 1046309.

Recruitment and appointment of new trustees would be in line with the trust deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Rabbi M Cohen on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making and other direct charitable activities. These risks are managed by the trustees researching potential beneficiaries before granting donations or engaging in direct charitable activity.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2023

Objectives and activities

The objects of the charity are the furtherance of orthodox Jewish education, relief of poverty and any other charitable activity as the trustees may from time to time and in their absolute discretion think fit.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charity's objects.

The application of the funds by way of grants is to either institutions or individuals.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants and direct charitable activity paid out for each object. The grants and direct activity paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Achievements and performance

During the year the charity received £437,540 in donations. The charity paid out £190,667 by way of direct costs, grants and support costs. These payments were all made in line with the stated objects of the charity.

A breakdown of the direct costs can be found in the notes to the accounts. Mivzoim is a term used to reflect campaigns and initiatives to help further the objects of the charity.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as detailed in the related party notes to the accounts.

There was an overall net income and net movement in funds for the year amounting to £246,877. Of this, £10,000 relates to restricted net income with the balance relating to unrestricted net income.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2023

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self-evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The unrestricted fund represents the unrestricted funds arising from past operating results.

The trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the six months expenditure of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current assets of the charity stand at £183,201, with £10,000 in the restricted fund and £931,438 in the unrestricted fund.

The trustees' annual report was approved on 20 February 2025 and signed on behalf of the board of trustees by:

Rabbi Y A Cohen
Trustee

Beis Menachem Chabad Lubavitch

Independent Examiner's Report to the Trustees of Beis Menachem Chabad Lubavitch

Year ended 31 May 2023

I report to the trustees on my examination of the financial statements of Beis Menachem Chabad Lubavitch ('the charity') for the year ended 31 May 2023.

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 Act').

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

20 February 2025

Beis Menachem Chabad Lubavitch

Statement of Financial Activities

Year ended 31 May 2023

			2023		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	426,193	11,347	437,540	121,852
Investment income	5	4	–	4	1
Other income	6	–	–	–	18,843
Total income		<u>426,197</u>	<u>11,347</u>	<u>437,544</u>	<u>140,696</u>
Expenditure					
Expenditure on charitable activities	7,8	189,320	1,347	190,667	144,944
Total expenditure		<u>189,320</u>	<u>1,347</u>	<u>190,667</u>	<u>144,944</u>
Net income/(expenditure) and net movement in funds					
		<u>236,877</u>	<u>10,000</u>	<u>246,877</u>	<u>(4,248)</u>
Reconciliation of funds					
Total funds brought forward		694,561	–	694,561	698,809
Total funds carried forward		<u>931,438</u>	<u>10,000</u>	<u>941,438</u>	<u>694,561</u>

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

The notes on pages 8 to 16 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Statement of Financial Position

31 May 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	758,237	753,413
Current assets			
Debtors	16	2,055	996
Cash at bank and in hand		193,235	11,240
		<u>195,290</u>	<u>12,236</u>
Creditors: amounts falling due within one year	17	<u>12,089</u>	<u>68,549</u>
Net current assets		<u>183,201</u>	<u>(56,313)</u>
Total assets less current liabilities		<u>941,438</u>	<u>697,100</u>
Creditors: amounts falling due after more than one year	18	<u>–</u>	<u>2,539</u>
Net assets		<u>941,438</u>	<u>694,561</u>
Funds of the charity			
Restricted funds		10,000	–
Unrestricted funds		<u>931,438</u>	<u>694,561</u>
Total charity funds	19	<u>941,438</u>	<u>694,561</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 February 2025, and are signed on behalf of the board by:

Rabbi Y A Cohen
Trustee

The notes on pages 8 to 16 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements

Year ended 31 May 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Beis Menachem, Park Lane, Salford, M7 4JD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The main judgements, estimates or assumptions that affect the amounts reported is the valuation of the freehold property. This is updated to fair value based on information supplied by independent valuers.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 15% straight line
Equipment	- 15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	426,193	–	426,193
Grants			
Mains Grants	–	10,000	10,000
CST	–	1,347	1,347
	<u>426,193</u>	<u>11,347</u>	<u>437,540</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	112,552	–	112,552
Grants			
Mains Grants	–	9,300	9,300
CST	–	–	–
	<u>112,552</u>	<u>9,300</u>	<u>121,852</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

5. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	4	4	1	1
	<u>4</u>	<u>4</u>	<u>1</u>	<u>1</u>

6. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Rental income	–	–	18,843	18,843
	<u>–</u>	<u>–</u>	<u>18,843</u>	<u>18,843</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Mivzoim and educational activity	171,779	1,347	173,126
Support costs	17,541	–	17,541
	<u>189,320</u>	<u>1,347</u>	<u>190,667</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Mivzoim and educational activity	101,021	9,300	110,321
Support costs	34,623	–	34,623
	<u>135,644</u>	<u>9,300</u>	<u>144,944</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Mivzoim and educational activity	28,404	144,722	16,523	189,649	143,370
Governance costs	–	–	1,018	1,018	1,574
	<u>28,404</u>	<u>144,722</u>	<u>17,541</u>	<u>190,667</u>	<u>144,944</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Staff costs	374	374	–
Premises	6,271	6,271	–
Communications and IT	1,419	1,419	–
General office	8,487	8,487	33,049
Finance costs	(30)	(30)	–
Governance costs	1,020	1,020	1,574
	<u>17,541</u>	<u>17,541</u>	<u>34,623</u>

10. Analysis of grants

	2023 £	2022 £
Grants to institutions		
OYY Lubavitch Boys School	96,567	71,033
Yad Veachisomoch L'Chaim	7,855	–
Grants to institutions < 2,000	11,313	–
	<u>115,735</u>	<u>71,033</u>
Grants to individuals		
Grants to individuals	28,987	9,947
Total grants	<u>144,722</u>	<u>80,980</u>

11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	3,568	3,862
Foreign exchange differences	(30)	–
	<u>3,538</u>	<u>3,862</u>

12. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,020</u>	<u>1,020</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	<u>374</u>	<u>6,760</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements (continued)

Year ended 31 May 2023

13. Staff costs (continued)

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 June 2022	750,000	24,805	939	775,744
Additions	5,800	–	2,592	8,392
At 31 May 2023	<u>755,800</u>	<u>24,805</u>	<u>3,531</u>	<u>784,136</u>
Depreciation				
At 1 June 2022	–	21,767	564	22,331
Charge for the year	–	3,038	530	3,568
At 31 May 2023	<u>–</u>	<u>24,805</u>	<u>1,094</u>	<u>25,899</u>
Carrying amount				
At 31 May 2023	<u>755,800</u>	<u>–</u>	<u>2,437</u>	<u>758,237</u>
At 31 May 2022	<u>750,000</u>	<u>3,038</u>	<u>375</u>	<u>753,413</u>

The trustees revalued the freehold property of the charity in the previous year on advice from a local property management company. The trustees consider the current fair value of the freehold property to be £755,800.

16. Debtors

	2023 £	2022 £
Stripe - YLM	–	12
Paypal £	–	624
Other debtors	2,055	360
	<u>2,055</u>	<u>996</u>

17. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	9,397	67,529
Accruals and deferred income	2,692	1,020
	<u>12,089</u>	<u>68,549</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

18. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Director loan accounts	–	2,539
	<u>–</u>	<u>2,539</u>

19. Analysis of charitable funds

Unrestricted funds

	At 1 June 2022	Income £	Expenditure £	At 31 May 2023
General funds	694,561	426,197	(189,320)	931,438
	<u>694,561</u>	<u>426,197</u>	<u>(189,320)</u>	<u>931,438</u>

	At 1 June 2021	Income £	Expenditure £	At 31 May 2022
General funds	698,809	131,396	(135,644)	694,561
	<u>698,809</u>	<u>131,396</u>	<u>(135,644)</u>	<u>694,561</u>

Restricted funds

	At 1 June 2022	Income £	Expenditure £	At 31 May 2023
Restricted fund - grants received	–	11,347	(1,347)	10,000
	<u>–</u>	<u>11,347</u>	<u>(1,347)</u>	<u>10,000</u>

	At 1 June 2021	Income £	Expenditure £	At 31 May 2022
Restricted fund - grants received	–	9,300	(9,300)	–
	<u>–</u>	<u>9,300</u>	<u>(9,300)</u>	<u>–</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	758,237	–	758,237
Current assets	185,290	10,000	195,290
Creditors less than 1 year	(12,089)	–	(12,089)
Net assets	<u>931,438</u>	<u>10,000</u>	<u>941,438</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	753,413	–	753,413
Current assets	12,236	–	12,236
Creditors less than 1 year	(71,088)	–	(71,088)
Net assets	<u>694,561</u>	<u>–</u>	<u>694,561</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

21. Related parties

Rabbi Y A Cohen and D Hickson, trustees of the charity, are also trustees of OYY Lubavitch Boys School. During the year, the charity donated £7,855 to OYY Lubavitch Boys School.

Rabbi Y A Cohen is also a trustee of Yad Veachisomoch L'Chaim. During the year, the charity donated £96,567 to Yad Veachisomoch L'Chaim.

22. Taxation

Beis Menachem Chabad Lubavitch is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales - Charity number 1046309

Accounts

Beis Menachem Chabad Lubavitch
Unaudited Financial Statements
31 May 2022

HAFFNER HOFF LTD

Accountants
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Beis Menachem Chabad Lubavitch

Financial Statements

Year ended 31 May 2022

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Beis Menachem Chabad Lubavitch

Trustees' Annual Report

Year ended 31 May 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2022.

Reference and administrative details

Registered charity name Beis Menachem Chabad Lubavitch

Charity registration number 1046309

Principal office Beis Menachem
Park Lane
Salford
M7 4JD

The trustees

Rabbi Y A Cohen
D Hickson
S Weis

Independent examiner Mr Howard Schwalbe ACA
2nd Floor - Parkgates
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M25 0TL

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2022

Structure, governance and management

Beis Menachem Chabad Lubavitch is constituted under a trust deed dated 02 May 1995 as amended on 02 July 2017. It is a registered charity with a charity number being 1046309, registered on the 02 August 2004.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi M Cohen on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making and other direct charitable activities. These risks are managed by the trustees researching potential beneficiaries before granting donations or engaging in direct charitable activity.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2022

Objectives and activities

The objects of the charity are the furtherance of orthodox Jewish education, relief of poverty and any other charitable activity as the trustees may from time to time and in their absolute discretion think fit.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charities objects.

The application of the funds by way of grants is to either institutions or individuals.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants and direct charitable activity paid out for each object. The grants and direct activity paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2022

Achievements and performance

During the year the charity received £121,852 in donations. The charity paid out £144,944 by way of direct costs, grants and support costs. These payments were made in line with the stated objects of the charity and were mainly educational in nature.

The charity generated £18,843 in rental income during the year from a school that was occupying part of the property owned by the charity.

A breakdown of the direct costs can be found in the notes to the accounts. Mivzoim is a term used to reflect campaigns and initiatives to help further the objects of the charity.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as detailed in the related party notes to the accounts.

There was an overall net expenditure and net movement in funds for the year amounting to £4,248, being £13,548 of unrestricted net expenditure and £9,300 of restricted net income.

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self-evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the six months expenditure of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current liabilities of the charity stand at (£58,852), with £9,300 in the restricted fund and (-£68,152) in the unrestricted fund and have been addressed in the accounting policies notes to the accounts.

Coronavirus

The charity has not been materially affected by the coronavirus.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2022

The trustees' annual report was approved on 30 March 2023 and signed on behalf of the board of trustees by:

Rabbi Y A Cohen
Trustee

Beis Menachem Chabad Lubavitch

Independent Examiner's Report to the Trustees of Beis Menachem Chabad Lubavitch

Year ended 31 May 2022

I report to the trustees on my examination of the financial statements of Beis Menachem Chabad Lubavitch ('the charity') for the year ended 31 May 2022.

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 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

30 March 2023

Beis Menachem Chabad Lubavitch

Statement of Financial Activities

Year ended 31 May 2022

		Unrestricted funds	2022 Restricted funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	112,552	9,300	121,852	63,405
Investment income	5	1	–	1	–
Other income	6	18,843	–	18,843	23,043
Total income		<u>131,396</u>	<u>9,300</u>	<u>140,696</u>	<u>86,448</u>
Expenditure					
Expenditure on charitable activities	7,8	144,944	–	144,944	84,540
Total expenditure		<u>144,944</u>	<u>–</u>	<u>144,944</u>	<u>84,540</u>
Net (expenditure)/income and net movement in funds		<u>(13,548)</u>	<u>9,300</u>	<u>(4,248)</u>	<u>1,908</u>
Reconciliation of funds					
Total funds brought forward		698,809	–	698,809	696,901
Total funds carried forward		<u>685,261</u>	<u>9,300</u>	<u>694,561</u>	<u>698,809</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Statement of Financial Position

31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	15	753,413	757,275
Current assets			
Debtors	16	996	83
Cash at bank and in hand		11,240	28
		<u>12,236</u>	<u>111</u>
Creditors: amounts falling due within one year	17	<u>71,088</u>	<u>58,577</u>
Net current liabilities		<u>58,852</u>	<u>58,466</u>
Total assets less current liabilities		<u>694,561</u>	<u>698,809</u>
Net assets		<u>694,561</u>	<u>698,809</u>
Funds of the charity			
Restricted funds		9,300	–
Unrestricted funds		<u>685,261</u>	<u>698,809</u>
Total charity funds	18	<u>694,561</u>	<u>698,809</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 March 2023, and are signed on behalf of the board by:

Rabbi Y A Cohen
Trustee

The notes on pages 9 to 17 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements

Year ended 31 May 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Beis Menachem, Park Lane, Salford, M7 4JD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The charity has net current liabilities. The trustees are of the opinion that the accounts should be prepared on a going concern basis as the trade creditors relate to old utility bills that have now come to light. The trustees will be fundraising in earnest to ensure these invoices are paid in the next accounting period.

It should be noted that the overall reserves are in hand and there was a surplus generated this year.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% straight line
Equipment	-	15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	112,552	–	112,552
Grants			
Grants receivable	–	9,300	9,300
	<u>112,552</u>	<u>9,300</u>	<u>121,852</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	63,405	–	63,405
Grants			
Grants receivable	–	–	–
	<u>63,405</u>	<u>–</u>	<u>63,405</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	1	1	–	–

6. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Rental income	18,843	18,843	23,043	23,043

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Mivzoim and educational activity	110,321	110,321	67,023	67,023
Support costs	34,623	34,623	17,517	17,517
	<u>144,944</u>	<u>144,944</u>	<u>84,540</u>	<u>84,540</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £	Total fund 2021 £
Mivzoim and educational activity	29,341	80,980	33,049	143,370	83,639
Governance costs	–	–	1,574	1,574	901
	<u>29,341</u>	<u>80,980</u>	<u>34,623</u>	<u>144,944</u>	<u>84,540</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
General office	33,049	33,049	16,616
Governance costs	1,574	1,574	900
	<u>34,623</u>	<u>34,623</u>	<u>17,516</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

10. Analysis of grants

	2022	2021
	£	£
Grants to institutions		
Educational grants	80,980	22,141
Yad Veachisomoch L'Chaim	—	23,043
	<u>80,980</u>	<u>45,184</u>
Total grants	<u>80,980</u>	<u>45,184</u>

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>3,862</u>	<u>3,862</u>

12. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,020</u>	<u>900</u>

13. Staff costs

The average head count of employees during the year was Nil (2021: Nil).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 June 2021 and 31 May 2022	<u>750,000</u>	<u>24,805</u>	<u>939</u>	<u>775,744</u>
Depreciation				
At 1 June 2021	–	18,046	423	18,469
Charge for the year	–	<u>3,721</u>	<u>141</u>	<u>3,862</u>
At 31 May 2022	–	<u>21,767</u>	<u>564</u>	<u>22,331</u>
Carrying amount				
At 31 May 2022	<u>750,000</u>	<u>3,038</u>	<u>375</u>	<u>753,413</u>
At 31 May 2021	<u>750,000</u>	<u>6,759</u>	<u>516</u>	<u>757,275</u>

The trustees revalued the freehold property of the charity in the previous year on advice from a local property management company. The trustees consider the current fair value of the freehold property to be £750,000.

16. Debtors

	2022 £	2021 £
Other debtors	<u>996</u>	<u>83</u>
	<u>996</u>	<u>83</u>

17. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	70,068	57,677
Accruals and deferred income	<u>1,020</u>	<u>900</u>
	<u>71,088</u>	<u>58,577</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

18. Analysis of charitable funds

Unrestricted funds

	At 01 Jun 2021 £	Income £	Expenditure £	At 31 May 2022 £
General funds	698,809	131,396	(144,944)	685,261

	At 01 Jun 2020 £	Income £	Expenditure £	At 31 May 2021 £
General funds	696,901	86,448	(84,540)	698,809

Restricted funds

	At 01 Jun 2021 £	Income £	Expenditure £	At 31 May 2022 £
Restricted fund - grants receivable	–	9,300	–	9,300

	At 01 Jun 2020 £	Income £	Expenditure £	At 31 May 2021 £
Restricted fund - grants receivable	–	–	–	–

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	753,413	–	753,413
Current assets	2,936	9,300	12,236
Creditors less than 1 year	(71,088)	–	(71,088)
Net assets	685,261	9,300	694,561

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	757,275	–	757,275
Current assets	111	–	111
Creditors less than 1 year	(58,577)	–	(58,577)
Net assets	698,809	–	698,809

20. Related parties

Rabbi Y A Cohen, trustee of Beis Menachem Chabad Lubavitch is also a trustee of Yad Veachisomoch L'Chaim. During the year, Yad Veachisomoch donated £14,275 to Beis Menachem.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

21. Taxation

Beis Menachem Chabad Lubavitch is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales - Charity number 1046309

Accounts

Beis Menachem Chabad Lubavitch
Unaudited Financial Statements
31 May 2021

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Financial Statements

Year ended 31 May 2021

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Beis Menachem Chabad Lubavitch

Trustees' Annual Report

Year ended 31 May 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2021.

Reference and administrative details

Registered charity name Beis Menachem Chabad Lubavitch

Charity registration number 1046309

Principal office Beis Menachem
Park Lane
Salford
M7 4JD

The trustees

Rabbi Y A Cohen
D Hickson
S Weis

Independent examiner Mr Howard Schwalbe ACA
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2021

Structure, governance and management

Beis Menachem Chabad Lubavitch is constituted under a trust deed dated 02 May 1995 as amended on 02 July 2017. It is a registered charity with a charity number being 1046309, registered on the 02 August 2004.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Rabbi M Cohen on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making and other direct charitable activities. These risks are managed by the trustees researching potential beneficiaries before granting donations or engaging in direct charitable activity.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2021

Objectives and activities

The objects of the charity are the furtherance of orthodox Jewish education, relief of poverty and any other charitable activity as the trustees may from time to time and in their absolute discretion think fit.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charities objects.

The application of the funds by way of grants is to either institutions or individuals.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants and direct charitable activity paid out for each object. The grants and direct activity paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2021

Achievements and performance

During the year the charity received £63,405 in donations. The charity paid out £84,540 by way direct costs, grants and support costs. These payments were made in line with the stated objects of the charity and were mainly educational in nature.

The charity generated £23,043 in rental income during the year from a school that was occupying part of the property owned by the charity.

A breakdown of the direct costs can be found in the notes to the accounts. Mivzoim is a term used to reflect campaigns and initiatives to help further the objects of the charity.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as detailed in the related party notes to the accounts.

There was an overall net income and net movement in funds for the year amounting to £1,908.

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self-evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the six months expenditure of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current liabilities of the charity stand at (£58,466), all of which are unrestricted and have been addressed in the accounting policies notes to the accounts.

Coronavirus

The charity has not been materially affected by the coronavirus.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2021

The trustees' annual report was approved on 28 March 2022 and signed on behalf of the board of trustees by:

Rabbi Y A Cohen
Trustee

Beis Menachem Chabad Lubavitch

Independent Examiner's Report to the Trustees of Beis Menachem Chabad Lubavitch

Year ended 31 May 2021

I report to the trustees on my examination of the financial statements of Beis Menachem Chabad Lubavitch ('the charity') for the year ended 31 May 2021.

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 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

28 March 2022

Beis Menachem Chabad Lubavitch

Statement of Financial Activities

Year ended 31 May 2021

		2021		2020
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	63,405	63,405	81,973
Other income	5	23,043	23,043	25,995
Total income		<u>86,448</u>	<u>86,448</u>	<u>107,968</u>
Expenditure				
Expenditure on charitable activities	6,7	84,540	84,540	116,470
Total expenditure		<u>84,540</u>	<u>84,540</u>	<u>116,470</u>
Net income/(expenditure) and net movement in funds		<u>1,908</u>	<u>1,908</u>	<u>(8,502)</u>
Reconciliation of funds				
Total funds brought forward		696,901	696,901	705,403
Total funds carried forward		<u>698,809</u>	<u>698,809</u>	<u>696,901</u>

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

The notes on pages 9 to 15 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Statement of Financial Position

31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	14	757,275	757,275
Current assets			
Debtors	15	83	1,992
Cash at bank and in hand		28	265
		<u>111</u>	<u>2,257</u>
Creditors: amounts falling due within one year	16	<u>58,577</u>	<u>62,631</u>
Net current liabilities		<u>58,466</u>	<u>60,374</u>
Total assets less current liabilities		<u>698,809</u>	<u>696,901</u>
Net assets		<u>698,809</u>	<u>696,901</u>
Funds of the charity			
Unrestricted funds		<u>698,809</u>	<u>696,901</u>
Total charity funds	17	<u>698,809</u>	<u>696,901</u>

These financial statements were approved by the board of trustees and authorised for issue on 28 March 2022, and are signed on behalf of the board by:

Rabbi Y A Cohen
Trustee

The notes on pages 9 to 15 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements

Year ended 31 May 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Beis Menachem, Park Lane, Salford, M7 4JD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The charity has net current liabilities. The trustees are of the opinion that the accounts should be prepared on a going concern basis as the trade creditors relate to old utility bills that have now come to light. The trustees will be fundraising in earnest to ensure these invoices are paid in the next accounting period.

It should be noted that the overall reserves are in hand and there was a surplus generated this year.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% straight line
Equipment	-	15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	63,405	63,405	81,973	81,973

5. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rental income	23,043	23,043	25,995	25,995

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Mivzoim and educational activity	67,023	67,023	93,585	93,585
Support costs	17,517	17,517	22,885	22,885
	<u>84,540</u>	<u>84,540</u>	<u>116,470</u>	<u>116,470</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Mivzoim and educational activity	21,839	45,184	16,616	83,639	115,571
Governance costs	–	–	901	901	899
	<u>21,839</u>	<u>45,184</u>	<u>17,517</u>	<u>84,540</u>	<u>116,470</u>

8. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	16,616	16,616	21,986
Governance costs	901	901	900
	<u>17,517</u>	<u>17,517</u>	<u>22,886</u>

9. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Educational grants	22,141	34,693
Yad Veachisomoch L'Chaim	23,043	25,995
	<u>45,184</u>	<u>60,688</u>
Total grants	<u>45,184</u>	<u>60,688</u>

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>3,862</u>	<u>3,862</u>

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>	<u>900</u>

12. Staff costs

The average head count of employees during the year was Nil (2020: Nil).

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

12. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 June 2020 and 31 May 2021	<u>750,000</u>	<u>24,805</u>	<u>939</u>	<u>775,744</u>
Depreciation				
At 1 June 2020	–	14,325	282	14,607
Charge for the year	–	3,721	141	3,862
At 31 May 2021	<u>–</u>	<u>18,046</u>	<u>423</u>	<u>18,469</u>
Carrying amount				
At 31 May 2021	<u>750,000</u>	<u>6,759</u>	<u>516</u>	<u>757,275</u>
At 31 May 2020	<u>750,000</u>	<u>10,480</u>	<u>657</u>	<u>761,137</u>

The trustees revalued the freehold property of the charity in the previous year on advice from a local property management company. The trustees consider the current fair value of the freehold property to be £750,000.

15. Debtors

	2021 £	2020 £
Other debtors	<u>83</u>	<u>1,992</u>
	<u>83</u>	<u>1,992</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	57,677	60,831
Accruals and deferred income	900	1,800
	<u>58,577</u>	<u>62,631</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

17. Analysis of charitable funds

Unrestricted funds

	At 01 Jun 2020 £	Income £	Expenditure £	At 31 May 2021 £
General funds	<u>696,901</u>	<u>86,448</u>	<u>(84,540)</u>	<u>698,809</u>

	At 01 Jun 2019 £	Income £	Expenditure £	At 31 May 2020 £
General funds	<u>705,403</u>	<u>107,968</u>	<u>(116,470)</u>	<u>696,901</u>

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	757,275	757,275
Current assets	111	111
Creditors less than 1 year	<u>(58,577)</u>	<u>(58,577)</u>
Net assets	<u>698,809</u>	<u>698,809</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	757,275	757,275
Current assets	2,257	2,257
Creditors less than 1 year	<u>(62,631)</u>	<u>(62,631)</u>
Net assets	<u>696,901</u>	<u>696,901</u>

19. Related parties

Rabbi Y A Cohen, trustee of Beis Menachem Chabad Lubavitch is also a trustee of Yad Veachisomoch L'Chaim. During the year, Beis Menachem donated £23,043 to Yad Veachisomoch L'Chaim.

20. Taxation

Beis Menachem Chabad Lubavitch is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

BEIS MENACHEM CHABAD LUBAVITCH

England & Wales - Charity number 1046309

Accounts

Beis Menachem Chabad Lubavitch
Unaudited Financial Statements
31 May 2020

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Financial Statements

Year ended 31 May 2020

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Statement of financial activities	6
Statement of financial position	7
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Beis Menachem Chabad Lubavitch

Trustees' Annual Report

Year ended 31 May 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2020.

Reference and administrative details

Registered charity name Beis Menachem Chabad Lubavitch

Charity registration number 1046309

Principal office Beis Menachem
Park Lane
Salford
M7 4JD

The trustees

Rabbi Y A Cohen
D Hickson
S Weis

Independent examiner Mr Howard Schwalbe ACA
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2020

Structure, governance and management

Beis Menachem Chabad Lubavitch is constituted under a trust deed dated 02 May 1995 as amended on 02 July 2017. It is a registered charity with a charity number being 1046309, registered on the 02 August 2004.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi M Cohen on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making and other direct charitable activities. These risks are managed by the trustees researching potential beneficiaries before granting donations or engaging in direct charitable activity.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2020

Objectives and activities

The objects of the charity are the furtherance of orthodox Jewish education, relief of poverty and any other charitable activity as the trustees may from time to time and in their absolute discretion think fit.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charities objects.

The application of the funds by way of grants is to either institutions or individuals.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants and direct charitable activity paid out for each object. The grants and direct activity paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Achievements and performance

During the year the charity received £81,973 in donations. The charity paid out £90,475 by way direct costs, grants and support costs. These payments were made in line with the stated objects of the charity and were mainly educational in nature.

A breakdown of the direct costs can be found in the notes to the accounts. Mivzoim is a term used to reflect campaigns and initiatives to help further the objects of the charity.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as detailed in the related party notes to the accounts.

There was an overall net loss and net movement in funds for the year amounting to £8,502.

Beis Menachem Chabad Lubavitch

Trustees' Annual Report *(continued)*

Year ended 31 May 2020

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self-evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the six months expenditure of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The reserves stand at £696,901, all of which are unrestricted.

The trustees' annual report was approved on 24 March 2021 and signed on behalf of the board of trustees by:

Rabbi Y A Cohen

Trustee

Beis Menachem Chabad Lubavitch

Independent Examiner's Report to the Trustees of Beis Menachem Chabad Lubavitch

Year ended 31 May 2020

I report to the trustees on my examination of the financial statements of Beis Menachem Chabad Lubavitch ('the charity') for the year ended 31 May 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 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

24 March 2021

Beis Menachem Chabad Lubavitch

Statement of Financial Activities

Year ended 31 May 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	81,973	81,973	82,026
Total income		<u>81,973</u>	<u>81,973</u>	<u>82,026</u>
Expenditure				
Expenditure on charitable activities	5,6	90,475	90,475	49,832
Total expenditure		<u>90,475</u>	<u>90,475</u>	<u>49,832</u>
Net (expenditure)/income and net movement in funds		<u>(8,502)</u>	<u>(8,502)</u>	<u>32,194</u>
Reconciliation of funds				
Total funds brought forward		705,403	705,403	673,209
Total funds carried forward		<u>696,901</u>	<u>696,901</u>	<u>705,403</u>

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

The notes on pages 8 to 14 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Statement of Financial Position

31 May 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	13	757,275	761,137
Current assets			
Debtors	14	1,992	–
Cash at bank and in hand		265	56
		<u>2,257</u>	<u>56</u>
Creditors: amounts falling due within one year	15	<u>62,631</u>	<u>55,790</u>
Net current liabilities		<u>60,374</u>	<u>55,734</u>
Total assets less current liabilities		<u>696,901</u>	<u>705,403</u>
Net assets		<u>696,901</u>	<u>705,403</u>
Funds of the charity			
Unrestricted funds		<u>696,901</u>	<u>705,403</u>
Total charity funds	16	<u>696,901</u>	<u>705,403</u>

These financial statements were approved by the board of trustees and authorised for issue on 24 March 2021, and are signed on behalf of the board by:

Rabbi Y A Cohen
Trustee

The notes on pages 8 to 14 form part of these financial statements.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements

Year ended 31 May 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Beis Menachem, Park Lane, Salford, M7 4JD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The charity has net current liabilities. The trustees are of the opinion that the accounts should be prepared on a going concern basis as the trade creditors relate to old utility bills that have now come to light. The trustees will be fundraising in earnest to ensure these invoices are paid in the next accounting period.

It should be noted that the overall reserves are in hand and there was a surplus generated this year.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 15% straight line
Equipment	- 15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	81,973	81,973	82,026	82,026

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Mivzoim and educational activity	67,590	67,590	37,675	37,675
Support costs	22,885	22,885	12,157	12,157
	<u>90,475</u>	<u>90,475</u>	<u>49,832</u>	<u>49,832</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2020

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Mivzoim and educational activity	32,897	34,693	21,986	89,576	48,931
Governance costs	–	–	899	899	901
	<u>32,897</u>	<u>34,693</u>	<u>22,885</u>	<u>90,475</u>	<u>49,832</u>

7. Analysis of support costs

	Analysis of support costs £	Total 2020 £	Total 2019 £
General office	21,986	21,986	11,256
Governance costs	899	899	900
	<u>22,885</u>	<u>22,885</u>	<u>12,156</u>

8. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Educational grants	34,693	10,219
Total grants	<u>34,693</u>	<u>10,219</u>

9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>3,862</u>	<u>3,862</u>

10. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>	<u>900</u>

11. Staff costs

The average head count of employees during the year was Nil (2019: Nil).

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements (continued)

Year ended 31 May 2020

11. Staff costs (continued)

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 June 2019 and 31 May 2020	<u>750,000</u>	<u>24,805</u>	<u>939</u>	<u>775,744</u>
Depreciation				
At 1 June 2019	–	14,325	282	14,607
Charge for the year	–	3,721	141	3,862
At 31 May 2020	<u>–</u>	<u>18,046</u>	<u>423</u>	<u>18,469</u>
Carrying amount				
At 31 May 2020	<u>750,000</u>	<u>6,759</u>	<u>516</u>	<u>757,275</u>
At 31 May 2019	<u>750,000</u>	<u>10,480</u>	<u>657</u>	<u>761,137</u>

The trustees revalued the freehold property of the charity in the previous year on advice from a local property management company. The trustees consider the current fair value of the freehold property to be £750,000.

14. Debtors

	2020 £	2019 £
Paypal	12	–
Other debtors	<u>1,980</u>	<u>–</u>
	<u>1,992</u>	<u>–</u>

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	60,831	53,703
Accruals and deferred income	1,800	1,800
Other creditors	–	287
	<u>62,631</u>	<u>55,790</u>

Beis Menachem Chabad Lubavitch

Notes to the Financial Statements *(continued)*

Year ended 31 May 2020

16. Analysis of charitable funds

Unrestricted funds

	At 01 Jun 2019 £	Income £	Expenditure £	At 31 May 2020 £
General funds	705,403	81,973	(90,475)	696,901

	At 01 Jun 2018 £	Income £	Expenditure £	At 31 May 2019 £
General funds	673,209	82,026	(49,832)	705,403

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	757,275	757,275
Current assets	2,257	2,257
Creditors less than 1 year	(62,631)	(62,631)
Net assets	<u>696,901</u>	<u>696,901</u>

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	761,137	761,137
Current assets	56	56
Creditors less than 1 year	(55,790)	(55,790)
Net assets	<u>705,403</u>	<u>705,403</u>

18. Taxation

Beis Menachem Chabad Lubavitch is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.