

THE KIRSCHER FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

THE KIRSCHER FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Registered charity name	The Kirschel Foundation
Trustees	Mr L Kirschel Mrs I Kirschel
Charity number	1067672
Principal address	26 Soho Square London W1D 5NU
Independent examiner	Ahsan Miraj FCA Bright Grahame Murray Emperors Gate 114a Cromwell Road London SW7 4AG
Bankers	Lloyds TSB Bank Plc Victoria House Southampton Row London WC1B 5HR

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THE KIRSCHTEL FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2020

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's declaration of trust dated 8 October 1997, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The charitable objectives of the Kirschel Foundation, as approved by the Charity Commission, is the promotion of the internal spirituality and harmony which leads to positive thought and action.

The objectives and activities fully reflect the purposes that the trust was set up to further. The trustees have referred to the guidance contained in the Charity Commission's advice on public benefit when reviewing the objectives and activities and when planning for future periods.

Covid 19 - Overall risk to operations

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The entity's financial position and performance is likely to be affected by these events for future periods.

The charity has determined that these events are adjusting subsequent events. However, the trustees do not believe that there are any adjustments required to the financial position or the results for the year ended 31 July 2020. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the company for future periods.

Office closure

On 23 March 2020, in response to the UK government advice and significant decreases in demand resulting from social distancing efforts, quarantines and border closures related to the spread of COVID-19, the company announced that it would temporarily close its office.

Post year end trading

A review of the first five months of the year indicates no significant changes in operations, it is anticipated, the impact of the pandemic will be minimal.

Achievements and performance

Financial review

During the year the Foundation made donations to Aharat Shalom Charity Fund, Jewish Learning Exchange, Dalaid and Gateshead Academy for Torah Studies as well as numerous other donations set out in Note 6 to the financial statements.

There are no subsidiary undertakings and the trustees do not believe that the Charity is exposed to any major risks.

THE KIRSCHTEL FOUNDATION

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Reserves policy

It is the trustees' policy to maintain the charity's reserves at a sufficient level to assist in its working capital requirements for future years. At the balance sheet date the charity reserves amounted to £14,357 (2019: £35,914).

The investment policy

The trustees' policy is to hold any surplus funds in interest bearing bank accounts.

Plans for future periods

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

Structure, governance and management

The charity is governed by declaration of trust dated 8 October 1997. The organisational structure is such that the trustees are the officers of the organisation and are responsible for the day to day activity of the Charity.

The power of appointing trustees is vested in the Board of Trustees.

There are no paid employees of the Charity and the Foundation operates from the premises of one of the trustees. There is no relationship with any charity, although there is a close relationship with Consolidated Property Corporation Limited, Consolidated Developments Limited, Consolidated Hotels Limited and Consolidated Property Corporation Inc Limited, companies in which one of the trustees is a director and has a beneficial interest. During the period these companies made donations to the Kirschel Foundation totalling £20,000 (2019: £141,000).

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

Mr L Kirschel
Mrs I Kirschel

The trustees report was approved by the Board of Trustees.

Mr L Kirschel
Trustee

Approved by the trustees on: 17 May 2021

THE KIRSCHER FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE KIRSCHER FOUNDATION

I report to the trustees on my examination of the financial statements of The Kirschel Foundation (the charity) for the year ended 31 July 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

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

Ahsan Miraj (FCA)
Bright Grahame Murray
Chartered Accountants
Statutory Auditor

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

17 May 2021

THE KIRSCHER FOUNDATION

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

	Notes	Unrestricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Donations and legacies	2	42,500	-	42,500	231,000
<u>Charitable activities</u>					
Investments	3	7	-	7	14
Total income		42,507	-	42,507	231,014
<u>Expenditure on:</u>					
Charitable activities	4	64,064	-	64,064	218,970
Net (expenditure)/income for the year/ Net movement in funds		(21,557)	-	(21,557)	12,044
Fund balances at 1 August 2019		35,904	10	35,914	23,870
Fund balances at 31 July 2020		14,347	10	14,357	35,914

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

All income and expenditure derive from continuing activities.

THE KIRSCHER FOUNDATION

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	10	12,873		42	
Cash at bank and in hand		1,484		35,872	
		<u>14,357</u>		<u>35,914</u>	
Net current assets			14,357		35,914
			<u><u>14,357</u></u>		<u><u>35,914</u></u>
Capital funds					
Endowment funds			10		10
Income funds					
Unrestricted funds - general			14,347		35,904
			<u>14,357</u>		<u>35,914</u>
			<u><u>14,357</u></u>		<u><u>35,914</u></u>

The financial statements were approved by the Trustees on 17 May 2021

Mr L Kirschel
Trustee

THE KIRSCHTEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Company information

The Kirschel Foundation is an unincorporated trust governed by a declaration of trust dated 8 October 1997.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

As set out in the trustees' report during the early part of 2020 the international community was impacted by the COVID-19 pandemic, which caused significant disruption to UK businesses. The trustees have assessed the risk that the charity is not a going concern, with reference to its financial position and performance. The charity forecasts that it is able to continue to meet all of its obligations.

The trustees are not aware of any significant impact from the COVID-19 pandemic on the charity's operations. However, the trustees continue to assess its impact on an ongoing basis.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds subject to specific restrictive conditions imposed as set out in the notes to the financial statements.

1.4 Incoming resources

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

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

1.5 Resources expended

THE KIRSCHER FOUNDATION

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

1 Accounting policies

(Continued)

All expenditure is accounted for on an accrual basis and has been listed under headings that aggregate all costs related to that activity.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Donations and gifts	42,500	231,000
Donations and gifts		
Gifts and Donations	20,000	231,000
Gift Aid	22,500	-
	42,500	231,000

3 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	7	14

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

4 Charitable activities

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Policy, campaigning and research	169	121
Grant funding of activities (see note 5)	63,750	218,697
Share of governance costs (see note 6)	145	152
	<hr/>	<hr/>
	64,064	218,970
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THE KIRSCHER FOUNDATION

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

5 Grants payable

	Unrestricted Funds £	2019 £
Grants to institutions:		
Hampstead Village Shul	15,000	8,297
Aharat Shalom Charity Fund	18,750	75,000
Jewish Learning Exchange	5,250	21,000
Gateshead Academy for Torah Studies	5,625	25,000
Friends of Lubavitch Scotland	3,375	13,500
Chai Cancer Care	-	200
Dalaid	3,750	15,000
Jewish Care	3,000	5,000
Naima JPS	-	3,000
S.O.F.T	-	8,000
Tivka UK	-	11,200
Kisharon	-	2,500
B.S.D	-	3,000
Camp Simcha	-	4,000
Kollel Gur	500	500
Beit Halochem UK	3,000	-
Chabad Lubavitch	-	2,500
Yossis Olaich Charitable Trust	-	2,000
EM Sascha	-	1,500
British Friends of Shalva	5,000	1,500
Chana	-	2,000
Children in Crisis	-	1,000
Macmillan Cancer Support	-	500
March of the living	-	2,500
RSH Mishkan	-	3,000
Standing Voice	-	2,000
United Talmudical Associates Ltd	-	5,000
Other	500	-
	<u>63,750</u>	<u>218,697</u>

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

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Bank charges	-	145	145	-	152	152
	-	145	145	-	152	152
Analysed between Charitable activities	-	145	145	-	152	152

7 Other income

All work done on behalf of the Foundation was carried out by volunteers and whilst an address and office are made available, no charges have been made. The trustees have not estimated the sum involved as it is considered to be immaterial.

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	12,873	-
Prepayments and accrued income	-	42
	12,873	42

THE KIRSCHER FOUNDATION

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

11 Related party transactions

During the period the charity received donations of £Nil (2019: £90,000) from Mr L G Kirschel and £20,000 (2019: £141,000) from Consolidated Property Corporation Ltd, a company in which the trustee, Mr L G Kirschel, is a director and has a beneficial interest.

At the balance sheet date included in debtors is an amount of £12,873 (2019: £Nil) due from Adot Foundation, a charity registered in England and Wales in which Mr L G Kirschel is a trustee.

12 Analysis of net assets between funds

	Unrestricted Funds 2020 £	Endowment Fund 2020 £	Total 2020 £	Unrestricted Funds 2019 £	Endowment Fund 2019 £	Total 2019 £
Fund balances at 31 July 2020 are represented by:						
Current assets/ (liabilities)	14,357	-	14,357	35,904	10	35,914
	<u>14,357</u>	<u>-</u>	<u>14,357</u>	<u>35,904</u>	<u>10</u>	<u>35,914</u>
	<u><u>14,357</u></u>	<u><u>-</u></u>	<u><u>14,357</u></u>	<u><u>35,904</u></u>	<u><u>10</u></u>	<u><u>35,914</u></u>