

British Friends of Rinat Aharon
Unaudited Financial Statements
31 March 2022

HAFFNER HOFF LTD

Accountants
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British Friends of Rinat Aharon

Financial Statements

Year ended 31 March 2022

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British Friends of Rinat Aharon

Trustees' Annual Report

Year ended 31 March 2022

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

Reference and administrative details

Registered charity name British Friends of Rinat Aharon

Charity registration number 1090495

Principal office 6 Tewkesbury Drive
Prestwich
M25 0HG

The trustees

M Thursch
Mrs M Thursch
J Weis

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

British Friends of Rinat Aharon

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Structure, governance and management

British Friends of Rinat Aharon is constituted under a trust deed dated 07 January 2002. It is a registered charity and the charity number is 1090495.

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 Mr Thursch 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. These risks are managed by the trustees researching potential beneficiaries before granting donations.

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

British Friends of Rinat Aharon

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Objectives and activities

The objects of the charity are: (i) the furtherance of religious education of the students at Rinat Aharon college in Israel by the provision of grants and other financial assistance and (ii) for such other charitable purposes as the trustees in their absolute discretion think fit.

The trustees confirm that they have referred to the guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

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 is funded by donations. The charity gives out grants in line with the above objects.

Grants made during the year to institutions are as detailed in the accounts.

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

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 paid out for each object. The grants 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.

British Friends of Rinat Aharon

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance

The charity received £898,843 in donations during the year and paid out £882,437 by way of college support grants and support costs.

The trustees are grateful to various benefactors that have committed themselves to the financial future of the charity to ensure that it continues to operate for the foreseeable future.

During the year grants were awarded to the students of Rinat Aharon paid via that college in Israel in accordance with the charity's objectives and as detailed in the notes to the financial statements. Additionally, the charity distributed food parcels to needy families in the U.K. amounting to £13,000.

These grants were made in line with the stated objects of the charity.

The charity has low governance costs comprising professional fees.

There were no material fundraising costs during the year.

There were no investments made during the year.

There were no related party transactions in the reporting period.

There was an overall net income and net movement in funds for the year amounting to £16,454.

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 limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve practical for donations which are seasonal.

The free reserves, represented by the net current assets of the charity stand at £27,180, all of which are unrestricted.

The Unrestricted Fund is in deficit and the trustees consider this to be acceptable as they are confident that the shortfall will be made up through fundraising in future periods. The deficit is funded by well-wishers of the charity who have lent interest free sums to the charity and have confirmed that they will not call in their loans to the detriment of the cash flow of the charity.

British Friends of Rinat Aharon

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Plans for future periods

The trustees plan to continue raising funds for projects in line with the trust deed and pursue those objectives and projects with all the resources available to the charity.

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

M Thursch
Trustee

British Friends of Rinat Aharon

Independent Examiner's Report to the Trustees of British Friends of Rinat Aharon

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of British Friends of Rinat Aharon ('the charity') for the year ended 31 March 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

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

30 January 2023

British Friends of Rinat Aharon

Statement of Financial Activities

Year ended 31 March 2022

		2022		2021
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	898,843	898,843	940,608
Investment income	5	48	48	30
Total income		<u>898,891</u>	<u>898,891</u>	<u>940,638</u>
Expenditure				
Expenditure on charitable activities	6,7	882,437	882,437	653,725
Total expenditure		<u>882,437</u>	<u>882,437</u>	<u>653,725</u>
Net income and net movement in funds		<u>16,454</u>	<u>16,454</u>	<u>286,913</u>
Reconciliation of funds				
Total funds brought forward		(251,905)	(251,905)	(538,818)
Total funds carried forward		<u>(235,451)</u>	<u>(235,451)</u>	<u>(251,905)</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 10 to 16 form part of these financial statements.

British Friends of Rinat Aharon

Statement of Financial Position

31 March 2022

	Note	2022 £	£	2021 £
Current assets				
Cash at bank and in hand		30,960		22,077
Creditors: amounts falling due within one year	13	<u>3,780</u>		<u>3,900</u>
Net current assets			27,180	18,177
Total assets less current liabilities			27,180	18,177
Creditors: amounts falling due after more than one year	14		262,631	270,082
Net liabilities			<u>(235,451)</u>	<u>(251,905)</u>
Funds of the charity				
Unrestricted funds			<u>(235,451)</u>	<u>(251,905)</u>
Total charity funds	15		<u>(235,451)</u>	<u>(251,905)</u>

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

M Thursch
Trustee

The notes on pages 10 to 16 form part of these financial statements.

British Friends of Rinat Aharon

Statement of Cash Flows

Year ended 31 March 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income	16,454	286,913
<i>Adjustments for:</i>		
Other interest receivable and similar income	(48)	(30)
Accrued income	(120)	(1,200)
<i>Changes in:</i>		
Trade and other creditors	(7,451)	(266,128)
Cash generated from operations	8,835	19,555
Interest received	48	30
Net cash from operating activities	8,883	19,585
Net increase in cash and cash equivalents	8,883	19,585
Cash and cash equivalents at beginning of year	22,077	2,492
Cash and cash equivalents at end of year	30,960	22,077

The notes on pages 10 to 16 form part of these financial statements.

British Friends of Rinat Aharon

Notes to the Financial Statements

Year ended 31 March 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 6 Tewkesbury Drive, Prestwich, M25 0HG.

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 an overall deficit on its reserves.

The trustees acknowledge the above and are confident that the charity will be able to continue for the foreseeable future as they have obtained assurances from their benefactors that the charity will be able to continue to operate for the foreseeable future. Furthermore, the trustees are committed to raising funds to ensure the charity is able to repay its obligations as they fall due for repayment.

There are no material uncertainties about the charity's ability to continue but this must be understood in the context of the going concern note in the trustees' annual report. In summary the deficit is funded by well-wishers of the charity who have lent interest free sums to the charity and have confirmed that they will not call in their loans to the detriment of the cash flow of the charity.

It is appropriate therefore for the financial statements to be prepared on a going concern basis.

Fair value

Debtors and creditors are stated at fair value.

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.

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

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.

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.

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

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.

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.

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.

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	898,843	898,843	940,608	940,608

5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	48	48	30	30

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charitable grants	880,142	880,142	651,328	651,328
Support costs	2,295	2,295	2,397	2,397
	882,437	882,437	653,725	653,725

7. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charitable grants	880,142	316	880,458	651,925
Governance costs	–	1,979	1,979	1,800
	880,142	2,295	882,437	653,725

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

8. Analysis of support costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
General office	316	316	597
Governance costs	1,979	1,979	1,800
	<u>2,295</u>	<u>2,295</u>	<u>2,397</u>

9. Analysis of grants

	2022 £	2021 £
Grants to institutions		
British Friends of Achiezer	10,000	651,328
Clapton Support And Advice	1,000	—
Kehal Machzikei Hadat	2,000	—
Mesivta Belz	13,300	—
Rinat Aharon - College support	839,942	—
Grants under £1,000	900	—
	<u>867,142</u>	<u>651,328</u>
Grants to individuals		
Grants to individuals	13,000	—
Total grants	<u>880,142</u>	<u>651,328</u>

10. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,980</u>	<u>1,800</u>

11. 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).

12. Trustee remuneration and expenses

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

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	<u>3,780</u>	<u>3,900</u>

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

	2022	2021
	£	£
Other creditors	<u>262,631</u>	<u>270,082</u>

15. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2021	Income	Expenditure	At 31 Mar 2022
	£	£	£	£
General funds	<u>(251,905)</u>	<u>898,891</u>	<u>(882,437)</u>	<u>(235,451)</u>

	At 01 Apr 2020	Income	Expenditure	At 31 Mar 2021
	£	£	£	£
General funds	<u>(538,818)</u>	<u>940,638</u>	<u>(653,725)</u>	<u>(251,905)</u>

16. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2022
	£	£
Current assets	30,960	30,960
Creditors less than 1 year	(3,780)	(3,780)
Creditors greater than 1 year	<u>(262,631)</u>	<u>(262,631)</u>
Net liabilities	<u>(235,451)</u>	<u>(235,451)</u>

	Unrestricted Funds	Total Funds 2021
	£	£
Current assets	22,077	22,077
Creditors less than 1 year	(3,900)	(3,900)
Creditors greater than 1 year	<u>(270,082)</u>	<u>(270,082)</u>
Net liabilities	<u>(251,905)</u>	<u>(251,905)</u>

British Friends of Rinat Aharon

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

17. Analysis of changes in net debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	<u>22,077</u>	<u>8,883</u>	<u>30,960</u>

18. Taxation

British Friends of Rinat Aharon 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.