

Beis Hamedrash Hechodosh
Company Limited by Guarantee
Unaudited Financial Statements
28 February 2023

HAFFNER HOFF LTD

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

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Financial Statements

Year ended 28 February 2023

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Beis Hamedrash Hechodosh

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 28 February 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 28 February 2023.

Reference and administrative details

Registered charity name	Beis Hamedrash Hechodosh
Charity registration number	1098896
Company registration number	04746202
Principal office and registered office	2nd Floor Parkgates Bury New Road Prestwich Manchester M25 0TL
The trustees	J Freifeld R Brunner A Schonberg
Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

Structure, governance and management

Beis Hamedrash Hechodosh is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 28 April 2003 as a company and the company number is 04746202. It was registered as a charity on 7 August 2003 with a charity number 1098896.

The Charity is run by the trustees who all act in an honorary capacity. A new trustee would receive copies of the previous years' Annual Report and Accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What you need to know'.

Risk Management

The trustees have identified and reviewed the major risks to which the charity is exposed. Both manual and automated checks are regularly invoked, particularly those relating to the operations and finance of the charity. The trustees are satisfied that these systems and procedures mitigate any perceived risks.

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Objectives and activities

The objectives of the charity are

a) The relief of poverty amongst the elderly or persons in condition of need, hardship and distress in the Jewish community. b) The advancement of the Orthodox Jewish religion. c) The advancement of education according to the tenets of the Orthodox Jewish faith.

Public Benefit Policy

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Grant Making Policy

Grants are made to individuals, charitable institutions and organisations which accord with the objects of the charity.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

During the year, the charity received donations of £357,398, and investment income of £1,631

During the year the charity spent £420,135 in furtherance of its objectives, including grants and support costs.

There was a net expenditure net and movement of funds of £61,106.

Financial review

As at 28 February 2023 the charity held unrestricted reserves, being the net current assets of the charity of £11,869 (2022: £74,599).

Reserves Policy

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

The trustees are satisfied that the balance of the Fund has an acceptable level of reserves.

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

The trustees' annual report and the strategic report were approved on 26 December 2023 and signed on behalf of the board of trustees by:

J Freifeld
Trustee

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Beis Hamedrash Hechodosh

Year ended 28 February 2023

I report to the trustees on my examination of the financial statements of Beis Hamedrash Hechodosh ('the charity') for the year ended 28 February 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Beis Hamedrash Hechodosh *(continued)*

Year ended 28 February 2023

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

26 December 2023

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 28 February 2023

		2023		2022
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies	5	357,398	357,398	385,466
Investment income	6	1,631	1,631	1,122
Total income		<u>359,029</u>	<u>359,029</u>	<u>386,588</u>
Expenditure				
Expenditure on charitable activities	7,8	<u>420,135</u>	<u>420,135</u>	<u>335,298</u>
Total expenditure		<u>420,135</u>	<u>420,135</u>	<u>335,298</u>
Net (expenditure)/income and net movement in funds		<u>(61,106)</u>	<u>(61,106)</u>	<u>51,290</u>
Reconciliation of funds				
Total funds brought forward		106,502	106,502	55,212
Total funds carried forward		<u>45,396</u>	<u>45,396</u>	<u>106,502</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 Hamedrash Hechodosh

Company Limited by Guarantee

Statement of Financial Position

28 February 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	14	33,527	31,903
Current assets			
Debtors	15	–	45,473
Cash at bank and in hand		12,769	30,026
		<u>12,769</u>	<u>75,499</u>
Creditors: amounts falling due within one year	16	900	900
Net current assets		<u>11,869</u>	<u>74,599</u>
Total assets less current liabilities		<u>45,396</u>	<u>106,502</u>
Net assets		<u>45,396</u>	<u>106,502</u>
Funds of the charity			
Unrestricted funds		45,396	106,502
Total charity funds	17	<u>45,396</u>	<u>106,502</u>

For the year ending 28 February 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 26 December 2023, and are signed on behalf of the board by:

J Freifeld
Trustee

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

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 28 February 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2nd Floor Parkgates, Bury New Road, Prestwich, Manchester, M25 0TL.

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 Companies Act 2006.

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 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 Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 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.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

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.

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.

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

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. Limited by guarantee

Beis Hamedrash Hechodosh is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	357,398	357,398	372,027	372,027
Grants				
J R S	—	—	13,439	13,439
	<u>357,398</u>	<u>357,398</u>	<u>385,466</u>	<u>385,466</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	1,624	1,624	1,116	1,116
Bank interest receivable	7	7	6	6
	<u>1,631</u>	<u>1,631</u>	<u>1,122</u>	<u>1,122</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable grants	418,478	418,478	330,377	330,377
Support costs	1,657	1,657	4,921	4,921
	<u>420,135</u>	<u>420,135</u>	<u>335,298</u>	<u>335,298</u>

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable grants	35,545	382,933	756	419,234	331,339
Governance costs	—	—	901	901	3,959
	<u>35,545</u>	<u>382,933</u>	<u>1,657</u>	<u>420,135</u>	<u>335,298</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
General office	756	756	558
Governance costs	901	901	900
	<u>1,657</u>	<u>1,657</u>	<u>1,458</u>

10. Analysis of grants

	2023 £	2022 £
Grants to institutions		
Ahavas Torah	4,500	—
Beis Tefiloh	76,752	—
British Friends Of Tiferes Chaim	—	1,800
Grants under £1000	2,347	—
Kollel Gaon Yaakov	7,850	7,900
M H Trust	—	4,000
Y A M F	5,600	—
	<u>97,049</u>	<u>13,700</u>
Grants to individuals		
Grants to individuals	<u>285,884</u>	<u>269,619</u>
Total grants	<u>382,933</u>	<u>283,319</u>

11. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>900</u>	<u>900</u>

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

12. Staff costs

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

	2023	2022
	£	£
Wages and salaries	<u>35,545</u>	<u>47,058</u>

The average head count of employees during the year was 6 (2022: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff - clergy & admin	<u>6</u>	<u>7</u>

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

13. Trustee remuneration and expenses

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

14. Investments

	Investment properties
	£
Cost or valuation	
At 1 March 2022	31,903
Additions	<u>1,624</u>
At 28 February 2023	<u>33,527</u>
Impairment	
At 1 March 2022 and 28 February 2023	
Carrying amount	
At 28 February 2023	<u>33,527</u>
At 28 February 2022	<u>31,903</u>

Investment properties

Investment properties comprise a single investment made in a property syndicate in the UK. The trustees exert no significant influence over the investment syndicate.

The carrying value is per management valuation in conjunction with various valuation tools and is at fair value.

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

15. Debtors

	2023	2022
	£	£
Other debtors	—	45,473

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	900	900

17. Analysis of charitable funds

Unrestricted funds

	At 01 Mar 2022	Income	Expenditure	At 28 Feb 2023
	£	£	£	£
General funds	106,502	359,029	(420,135)	45,396

	At 01 Mar 2021	Income	Expenditure	At 28 Feb 2022
	£	£	£	£
General funds	55,212	386,588	(335,298)	106,502

18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2023
	£	£
Tangible fixed assets	33,527	33,527
Current assets	12,769	12,769
Creditors less than 1 year	(900)	(900)
Net assets	45,396	45,396

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	31,903	31,903
Current assets	75,499	75,499
Creditors less than 1 year	(900)	(900)
Net assets	106,502	106,502

Beis Hamedrash Hechodosh

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

19. Taxation

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