

THE BRITISH FRIENDS OF ZICHRON MENACHEM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE BRITISH FRIENDS OF ZICHRON MENACHEM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. E. Seliger Mr. B Resnick Mr. R Green
Charity number	1102612
Principal address	30 Brookside Road London NW11 9NE
Independent examiner	Mike Haberfeld BSc FCA Landau Morley LLP 325-327 Oldfield Lane North Greenford Middlesex UB6 0FX
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ
Solicitors	RadcliffesLeBrasseur 5 Great College Street Westminster London SW1P 3SJ

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THE BRITISH FRIENDS OF ZICHRON MENACHEM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The ultimate purpose of the charity is to increase the quality of life of children with cancer and their families.

The charity achieves its objectives by holding triennial summer camps in the UK for young cancer patients and annual "respite holidays" for the parents of children suffering from cancer. A secondary objective is to provide intermittent financial support to Zichron Menachem in Israel to assist it with its broad activities. These funds have played a role in growth and development of Zichron Menachem in Israel, helping make it the first support organisation that families turn to for support and advice after a child is diagnosed with cancer.

The charity raises funds to support its charitable activities by holding specific events to increase awareness of the charity as well as specific fundraising activities. An example of a specific campaign is the hair cutting campaign where young women are encouraged to grow their hair and raise sponsorship. The hair is then cut and used to make wigs for the cancer patients in Israel and the UK.

Volunteers are used to a limited extent and assist with summer camps, respite holidays and fundraising events.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its activities for the year and, as can be seen from this Report, the charity's aims are for the public benefit.

Achievements and performance

Covid-19 meant that the charity was once again unable to host the annual respite trip for Israeli parents of children suffering from cancer in Israel.

However, the charity was able to organise two hair parties.

At the request of Israel, funds were sent towards the refurbishment of the Dream Centre kitchen, the mobile unit and the Educational Centre.

Financial review

A summary of the charity's transactions and of its financial position is shown in the financial statements together with the accompanying notes.

The policy on reserves is to build up funds, in particular to meet camp expenses and specific requests from Zichron Menachem in Israel. At the year end, the Charity held unrestricted free reserves of £72,176 (2021: £171,676).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The British Friends of Zichron Menachem is governed by a Trust Deed, dated 21 January 2004.

The charity is informally affiliated to Zichron Menachem, an Israeli charity which provides support and assistance to Israeli children who have cancer, and their families. Therefore, locally the charity works closely with Zichron Menachem in Israel to ensure that the UK activities and contribution are focused and relevant.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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

Mr. E. Seliger

Mr. B Resnick

Mr. R Green

The trustees have complementary skills that help run the charity effectively. Mr Seliger is the day-to-day manager of Zichron Menachem UK and is the primary liason with Zichron Menachem in Israel; Mr Resnick is an accountant by profession and oversees governance and finance; Mr Green founded the emergency response and ambulance service Hatzola and he brings an understanding of health and wellness to the charity.

The power of appointing trustees is vested in the existing trustees. New trustees are recruited from personal contacts of existing trustees. Induction will be carried out by discussion with existing trustees and training will depend on their previous knowledge and experience.

The trustees determine the general policy of the charity. Mr. E. Seliger acts as Chairman and is responsible for overseeing the day to day running of the UK activities.

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

Mr. E. Seliger

Trustee

19 January 2023

THE BRITISH FRIENDS OF ZICHRON MENACHEM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BRITISH FRIENDS OF ZICHRON MENACHEM

I report to the trustees on my examination of the financial statements of The British Friends of Zichron Menachem (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 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

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.

Mike Haberfeld BSc FCA

Landau Morley LLP
325-327 Oldfield Lane North
Greenford
Middlesex
UB6 0FX

Dated: 19 January 2023

THE BRITISH FRIENDS OF ZICHRON MENACHEM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Income from:						
Donations and legacies	2	106,204	13,460	119,664	117,842	151,021
Expenditure on:						
Raising funds	3	35,250	-	35,250	-	41,731
Charitable activities	4	170,659	25,460	196,119	26,554	42,875
Total expenditure		205,909	25,460	231,369	26,554	84,606
Net (expenditure)/income for the year/						
Net movement in funds		(99,705)	(12,000)	(111,705)	6,625	66,415
Fund balances at 1 April 2021		172,700	33,000	205,700	26,375	139,285
Fund balances at 31 March 2022		72,995	21,000	93,995	33,000	205,700

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

All income and expenditure derive from continuing activities.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		819		1,024
Current assets					
Debtors	9	1,524		2,219	
Cash at bank and in hand		96,868		208,028	
		98,392		210,247	
Creditors: amounts falling due within one year	10	(5,216)		(5,571)	
Net current assets			93,176		204,676
Total assets less current liabilities			93,995		205,700
Income funds					
Restricted funds	11		21,000		33,000
<u>Unrestricted funds</u>					
General funds	12	72,995		172,700	
			72,995		172,700
			93,995		205,700

The financial statements were approved by the Trustees on 19 January 2023

Mr. E. Seliger
Trustee

Mr. B Resnick
Trustee

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The British Friends of Zichron Menachem is an unincorporated charity, registered in England and Wales, whose principal address is 30 Brookside Road, London, NW11 9NE.

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)" (as amended for accounting periods commencing from 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 financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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. In arriving at that conclusion, due consideration has been given to the impact of Covid-19 on the charities activities and finances.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

1.4 Income

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal and constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	20% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 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.

Basic financial assets

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

Basic financial liabilities

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

Derecognition of financial liabilities

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

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	104,873	13,460	118,333	97,517	1,179	98,696
Legacies receivable	-	-	-	15,000	32,000	47,000
Coronavirus job retention scheme grant	1,331	-	1,331	5,325	-	5,325
	<u>106,204</u>	<u>13,460</u>	<u>119,664</u>	<u>117,842</u>	<u>33,179</u>	<u>151,021</u>

3 Raising funds

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Fundraising events	5,509	2,105
Consultancy	1,566	-
Advertising	176	8,757
Support costs	27,999	30,869
	<u>35,250</u>	<u>41,731</u>

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Camp	-	442
Donations to Zichron Menachem Israel	184,000	26,554
	<u>184,000</u>	<u>26,996</u>
Share of support costs (see note 5)	6,789	10,510
Share of governance costs (see note 5)	5,330	5,369
	<u>196,119</u>	<u>42,875</u>
Analysis by fund		
Unrestricted funds	170,659	16,321
Restricted funds	25,460	26,554
	<u>196,119</u>	<u>42,875</u>

5 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Staff costs	18,741	-	18,741	26,075	-	26,075
Accountancy fees	-	3,954	3,954	-	3,936	3,936
Bank charges and interest	-	1,376	1,376	-	1,433	1,433
Premises costs	8,711	-	8,711	8,811	-	8,811
Office costs	7,131	-	7,131	6,237	-	6,237
Depreciation	205	-	205	256	-	256
	<u>34,788</u>	<u>5,330</u>	<u>40,118</u>	<u>41,379</u>	<u>5,369</u>	<u>46,748</u>
Analysed between						
Fundraising	27,999	-	27,999	30,869	-	30,869
Charitable activities	6,789	5,330	12,119	10,510	5,369	15,879
	<u>34,788</u>	<u>5,330</u>	<u>40,118</u>	<u>41,379</u>	<u>5,369</u>	<u>46,748</u>

6 Trustees

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

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	1	2
Employment costs	2022	2021
	£	£
Wages and salaries	18,435	25,769
Other pension costs	306	306
	18,741	26,075

There were no employees whose annual remuneration was more than £60,000.

8 Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2021	6,665
At 31 March 2022	6,665
Depreciation and impairment	
At 1 April 2021	5,641
Depreciation charged in the year	205
At 31 March 2022	5,846
Carrying amount	
At 31 March 2022	819
At 31 March 2021	1,024

9 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	318	1,013
Prepayments and accrued income	1,206	1,206
	1,524	2,219

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	-	412
Other creditors	1,262	1,259
Accruals and deferred income	3,954	3,900
	<u>5,216</u>	<u>5,571</u>

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2020 £	Income/ (Expenditure) £	Resources expended £	Balance at 1 April 2021 £	Income/ (Expenditure) £	Resources expended £	Balance at 31 March 2022 £
Kitchen refurbishment	5,375	1,179	(6,554)	-	1,460	(1,460)	-
Parent Camp	21,000	-	-	21,000	-	-	21,000
Dream Centre - youth room	-	20,000	(20,000)	-	-	-	-
Dreamobile	-	12,000	-	12,000	12,000	(24,000)	-
	<u>26,375</u>	<u>33,179</u>	<u>(26,554)</u>	<u>33,000</u>	<u>13,460</u>	<u>(25,460)</u>	<u>21,000</u>

The kitchen refurbishment funds relates to amounts contributed by the Hale & District Hebrew Congregation towards the refurbishment of the kitchens at the Zichron Menachem Dream Centre in Jerusalem.

The Parent Camp funds relates to money received from The Bluston Charitable Settlement to be used towards the cost of the next Parents' Respite Trip in the future.

The Dream Centre fund has been created by a contribution towards the youth room refurbishment at the Zichron Menachem Dream Centre in Jerusalem. The money has been contributed by a legacy.

The Dreamobile fund relates to money contributed by a legacy towards the upkeep of the Zichron Menachem mobile clinic in Israel.

12 Unrestricted funds

	Movement in funds		
	Balance at 1 April 2021 £	Income £	Expenditure £
General funds	172,700	106,204	(205,909)
	<u>172,700</u>	<u>106,204</u>	<u>(205,909)</u>

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	819	-	819	1,024	-	1,024
Current assets/(liabilities)	72,176	21,000	93,176	171,676	33,000	204,676
	<u>72,995</u>	<u>21,000</u>	<u>93,995</u>	<u>172,700</u>	<u>33,000</u>	<u>205,700</u>

14 Related party transactions

During the year, a market value rent of £7,200 (2021: £7,200) was payable to E. Seliger, a trustee, by the charity for office space. Additionally, in relation to the occupation of the premises, amounts totalling £1,511 (2021: £1,611) were payable directly to third party suppliers for utilities.