

CHEVRAS MACHZIKEI MESIFTA
Unaudited Financial Statements
31 March 2023

BRINDLEY GOLDSTEIN LIMITED

Chartered accountants
103 High Street
Waltham Cross
Herts
EN8 7AN

CHEVRAS MACHZIKEI MESIFTA

Financial Statements

Year ended 31 March 2023

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CHEVRAS MACHZIKEI MESIFTA

Trustees' Annual Report

Year ended 31 March 2023

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

Reference and administrative details

Registered charity name	CHEVRAS MACHZIKEI MESIFTA
Charity registration number	1104022
Principal office	28 Cranwich Road London N16 5JX

The trustees

Mr P. Karniol
Mr P. Benedikt
Mrs D. Mutzen

Independent examiner	Charles Goldstein FCA 103 High Street Waltham Cross Herts EN8 7AN
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Structure, governance and management

The Charity is controlled by its governing document a Deed dated 26 February 2004 and constitutes an unincorporated charity.

The trustees administer the day-to-day affairs of the Charity. None of the Trustees have any beneficial interest in the Charity.

Recruitment, Induction and Training

It is not the intention of the charity to appoint any new trustees. Should the situation change in the future, the trustees will apply suitable recruitment, induction and training procedures.

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.

CHEVRAS MACHZIKEI MESIFTA

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Objectives and activities

The charity was formed for the advancement of orthodox Jewish religious education throughout the world and in particular by supporting the charitable work of the Talmudic institute The Mesifta Academy, in Jerusalem, Israel.

The Mesifta Academy runs a higher college for the study of Jewish Talmudical Law. In addition to its educational activities, the Mesifta Academy makes grants to needy individuals in Israel.

Public Benefit

The trustees confirm their compliance with the duty to have regard to the Public Benefit guidance published by the Charity Commission when reviewing the Charity's aims and objectives in planning future activities.

Grant Making Policy

Grants are made to charitable institutions and organisations which accord with the objects of the Charity.

Achievements and performance

The charity continued to receive donations during the period and thus was able to continue with the programme of grants to The Mesifta Academy in Israel. The aggregate donations made during the year was £566,118. No change of activities is envisaged in the immediate future.

Financial review

The financial results of the Charity's activities for the year reflected in the attached financial statements together with the notes thereon.

Reserves Policy

Funds are remitted to The Mesifta Academy on a regular basis and no specific fund is maintained.

Plans for future periods

There are no current plans to change the activities or modus operandi in the foreseeable future.

The trustees' annual report was approved on 8 July 2024 and signed on behalf of the board of trustees by:



Mr P. Karniol
Trustee

CHEVRAS MACHZIKEI MESIFTA

Independent Examiner's Report to the Trustees of CHEVRAS MACHZIKEI MESIFTA

Year ended 31 March 2023

I report to the trustees on my examination of the financial statements of CHEVRAS MACHZIKEI MESIFTA ('the charity') for the year ended 31 March 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.



Charles Goldstein FCA
Independent Examiner

103 High Street
Waltham Cross
Herts
EN8 7AN

8 July 2024

CHEVRAS MACHZIKEI MESIFTA

Statement of Financial Activities

Year ended 31 March 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	598,081	598,081	522,373
Total income		<u>598,081</u>	<u>598,081</u>	<u>522,373</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	5	2,000	2,000	–
Expenditure on charitable activities	6,7	578,593	578,593	565,226
Total expenditure		<u>580,593</u>	<u>580,593</u>	<u>565,226</u>
Net income/(expenditure) and net movement in funds		<u>17,488</u>	<u>17,488</u>	<u>(42,853)</u>
Reconciliation of funds				
Total funds brought forward		140,366	140,366	183,219
Total funds carried forward		<u>157,854</u>	<u>157,854</u>	<u>140,366</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 7 to Error! Bookmark not defined. form part of these financial statements.

CHEVRAS MACHZIKEI MESIFTA

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	13	182,199	182,199
Current assets			
Cash at bank and in hand		10,082	2,233
Creditors: amounts falling due within one year	14	2,760	2,399
Net current assets		7,322	(166)
Total assets less current liabilities		189,521	182,033
Creditors: amounts falling due after more than one year	15	31,667	41,667
Net assets		157,854	140,366
Funds of the charity			
Unrestricted funds		157,854	140,366
Total charity funds	16	157,854	140,366

These financial statements were approved by the board of trustees and authorised for issue on 8 July 2024, and are signed on behalf of the board by:



Mr P. Karniol
Trustee

The notes on pages 7 to Error! Bookmark not defined. form part of these financial statements.

CHEVRAS MACHZIKEI MESIFTA

Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income/(expenditure)	17,488	(42,853)
<i>Adjustments for:</i>		
Interest payable and similar charges	4,684	2,443
Accrued expenses	360	–
<i>Changes in:</i>		
Trade and other creditors	1	(14,111)
Cash generated from operations	22,533	(54,521)
Interest paid	(4,684)	(2,443)
Net cash from/(used in) operating activities	<u>17,849</u>	<u>(56,964)</u>
Cash flows from financing activities		
Proceeds from borrowings	(10,000)	(8,333)
Net cash used in financing activities	<u>(10,000)</u>	<u>(8,333)</u>
Net increase/(decrease) in cash and cash equivalents	7,849	(65,297)
Cash and cash equivalents at beginning of year	2,233	67,530
Cash and cash equivalents at end of year	<u>10,082</u>	<u>2,233</u>

The notes on pages 7 to Error! Bookmark not defined. form part of these financial statements.

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements

Year ended 31 March 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 28 Cranwich Road, London, N16 5JX.

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

There are no judgements and estimates.

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.

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements *(continued)*

Year ended 31 March 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.

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

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements (continued)

Year ended 31 March 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.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations received	598,081	598,081	522,373	522,373

5. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Donations	2,000	2,000	—	—

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations Made	566,118	566,118	561,583	561,583
Support costs	12,475	12,475	3,643	3,643
	578,593	578,593	565,226	565,226

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Donations Made	13,880	552,238	10,915	577,033	564,026
Governance costs	–	–	1,560	1,560	1,200
	<u>13,880</u>	<u>552,238</u>	<u>12,475</u>	<u>578,593</u>	<u>565,226</u>

8. Analysis of support costs

	Analysis of support costs activity £	Total 2023 £	Total 2022 £
General office	8,230	8,230	–
Finance costs	4,685	4,685	2,443
Governance costs	1,560	1,560	1,200
	<u>14,475</u>	<u>14,475</u>	<u>3,643</u>

9. Analysis of grants

	2023 £	2022 £
Grants to institutions		
The Mesifta Academy, Jerusalem, Israel	552,238	561,583
Total grants	<u>552,238</u>	<u>561,583</u>

10. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>1,560</u>	<u>1,200</u>

11. Staff costs

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).

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

12. Trustee remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

13. Investments

	Other investments £
Cost or valuation	
At 1 April 2022	182,199
Additions	—
At 31 March 2023	<u>182,199</u>
Impairment	
At 1 April 2022 and 31 March 2023	<u>—</u>
Carrying amount	
At 31 March 2023	<u>182,199</u>
At 31 March 2022	<u>182,199</u>

All investments shown above are held at valuation.

14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,200	1,199
Accruals and deferred income	<u>1,560</u>	<u>1,200</u>
	<u>2,760</u>	<u>2,399</u>

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

	2023 £	2022 £
Bank loans and overdrafts	<u>31,667</u>	<u>41,667</u>

CHEVRAS MACHZIKEI MESIFTA

Notes to the Financial Statements (continued)

Year ended 31 March 2023

16. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
General funds	140,366	598,081	(580,593)	157,854

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General funds	183,219	522,373	(565,226)	140,366

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Investments	182,199	182,199
Current assets	10,082	10,082
Creditors less than 1 year	(2,760)	(2,760)
Creditors greater than 1 year	(31,667)	(31,667)
Net assets	157,854	157,854

	Unrestricted Funds £	Total Funds 2022 £
Investments	182,199	182,199
Current assets	2,233	2,233
Creditors less than 1 year	(2,399)	(2,399)
Creditors greater than 1 year	(41,667)	(41,667)
Net assets	140,366	140,366

18. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	2,233	7,849	10,082
Debt due after one year	(41,667)	10,000	(31,667)
	(39,434)	17,849	(21,585)

CHEVRAS MACHZIKEI MESIFTA

Management Information

Year ended 31 March 2023

The following pages do not form part of the financial statements.

CHEVRAS MACHZIKEI MESIFTA

Detailed Statement of Financial Activities

Year ended 31 March 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations received	598,081	522,373
	<u>598,081</u>	<u>522,373</u>
Total income	<u>598,081</u>	<u>522,373</u>
Expenditure		
Costs of raising donations and legacies		
Fundraising costs	2,000	—
	<u>2,000</u>	<u>—</u>
Expenditure on charitable activities		
Travel costs	4,250	—
Accountancy fees	1,560	1,200
Bounce back loan interest	928	958
Bank charges	3,757	1,485
Mesifta Academy	552,238	561,583
Educational assistance	13,880	—
Admin costs	1,980	—
	<u>578,593</u>	<u>565,226</u>
Total expenditure	<u>580,593</u>	<u>565,226</u>
Net income/(expenditure)	<u>17,488</u>	<u>(42,853)</u>