

Charity Registration No. 1105254

Company Registration No. 05090789 (England and Wales)

ORT UK

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

**ORT UK**

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr S J Alberga	
	Mr M S Mishon	
	Mrs R Wagman	
	Mr Y Linenberg	
	Mr A J Reeback	
	Mr Y Tal	
	Ms A Kurer	
	Ms C Martell	
	Ms L Calzon	(Appointed 23 September 2021)
	Mr D Reinhold	(Appointed 23 September 2021)
	Ms A Cohen	(Appointed 23 September 2021)
	Ms B Weber	(Appointed 23 September 2021)
<b>Charity number</b>	1105254	
<b>Company number</b>	05090789	
<b>Registered office</b>	Shield House 18 Harmony Way London NW1 7NE	
<b>Auditor</b>	CBW Audit Limited 66 Prescott Street London E1 8NN	

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# ORT UK

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## **ORT UK**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021.

This report is also a Director's Report as required by s417 of the Companies Act 2006.

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 Memorandum and Articles of Association dated 1st April 2004, the Companies Act 2006 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 charity's objects and primary purpose remains the pursuit of its charitable objectives through the support of World ORT's network of schools, colleges and educational projects across the world. These activities continue to provide more than 200,000 students annually with the skills they need to become economically independent and free from the need for charity in the long term.

The charity primarily undertakes this through the organisation of fund-raising events, the matching of interested donors with relevant World ORT projects around the world and through the education of British donors regarding ORT and its work.

As part of its involvement in the local community in the UK, ORT established ORT - JUMP - a mentoring programme for pupils in Year 12.

#### **Public Benefit**

The Trustees have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been met given the significant funds raised and paid toward various educational projects.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

2021's fundraising efforts were focused on World ORT projects in Israel and the countries of the former Soviet Union and Baltic States, as well as supporting ORT UK's operational activities in the UK. Some of these include:

**Kfar Silver Youth Village** - ORT UK lead a multi-year worldwide campaign to upgrade and refurbish the youth village student campus in Kfar Silver near Ashkelon, Israel. Substantial restricted donations have been received from British donors and the first phase is complete with a significant growth in the student body. The project is expected to last two more years, and once completed the level of restricted donations to ORT UK is expected to drop.

**Students At Risk in Israel** - this programme assists underprivileged children in World ORT-affiliated schools. A large number of the students come from poor backgrounds, with parents who are either unemployed or underemployed. Other children experience family crises that have disrupted household income, such as the death or serious illness of a relative. In addition ORT UK has focussed on fundraising for the Kfar Silver school and youth village supporting technology education as well as the renovation of classrooms and science laboratories.

**YOUiversity Centres of Excellence in Israel** - encouraging high school students' interest in Science, Technology, Engineering and Math (STEM) related subjects through after-school courses. The young people participate in hands-on courses on topics such as aerospace, applied physics, forensics, architecture, food engineering and robotics. Located in multiple venues throughout Israel (such as Kiryat Yam, Dimona, Kiryat Gat and Jerusalem) the Centres cater to mainstream Jewish, Haredi and Arab communities giving Israeli youth who live far from the economic, cultural and academic centre of the country access to the world of cutting edge science and technology.



## ORT UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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**ORT-JUMP - ORT UK's mentoring project** - ORT-JUMP successfully continued its work with approximately 350 student-mentor partnerships at 11 secondary schools in London (JCoSS, Yavneh College, JFS, Immanuel College, Hasmonian Boys, Hasmonian Girls, Copthall, Parliament Hill, Acland Burghley, William Ellis and La Sainte Union).

Fundraising from core ORT UK events (Business Breakfast, Annual Lunch, Fundraising Dinner) was challenging in 2021 due to the long lasting impact of the pandemic, however we were successful at running two virtual fundraising events as well as an in-person Annual Fundraising Dinner. We are very grateful to our loyal and committed donors who continued to make their donations to the charity as usual despite the pandemic. Finally, we continued and expand our presence on social media and enhance our PR and messaging.

#### Financial review

The charity's activities for the year are presented in the attached financial statements which show a net (expenditure)/income for the year of (£98,962) (2020: £81,497). The balance of restricted funds at 31 December 2021 was £55,400 (2020: £55,400) and unrestricted funds £197,745 (2020: £296,707).

#### Principal Funding Sources

The principal funding sources for the charity are currently by way of retained reserves to enable the charity to continue to raise and collect income to fund charitable activities.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should normally be maintained at a level equivalent to 6 - 12 month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### Risk Management

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.

The Trustees have a risk management strategy which comprises:

- An ongoing review of the risks the organisation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the charity.

The charity does not anticipate any major changes in its operations and expects to continue with its core objectives and activities to provide ongoing support to World ORT.

#### Structure, governance and management

The charity is a company limited by guarantee (No 5090789) governed by its Memorandum and Articles of Association dated 1st April 2004. It is registered as a charity with the Charity Commission (No 1105254).

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr S J Alberga	
Mr M S Mishon	
Mrs R Wagman	
Mr Y Linenberg	
Mr A I Brittan	(Resigned 24 May 2021)
Mr A J Reeback	
Mr A D Silverman	(Resigned 26 April 2021)
Mr Y Tal	
Ms A Kurer	
Ms C Martell	
Mr L Petar	(Resigned 3 September 2021)
Ms L Calzon	(Appointed 23 September 2021)
Mr D Reinhold	(Appointed 23 September 2021)
Ms A Cohen	(Appointed 23 September 2021)
Ms B Weber	(Appointed 23 September 2021)

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## ORT UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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As set out in the Articles of Association, the first Trustees were those notified to Companies House on incorporation of the charity. The Trustees may appoint any person who is willing to act as a Trustee and the Trustees shall not consist of less than 7 persons.

None of the Trustees has any beneficial interest in the charity. All of the Trustees are members of the charity and guarantee to contribute £10 in the event of a winding up.

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charity's contractual and other legal obligations.

Trade creditors of the charity at the year end were equivalent to 5 day's purchases, based on the average daily amount invoiced by suppliers during the year.

The Trustees administer the charity on an ongoing basis. The Trustees typically meet six times a year to discuss and resolve strategy and ongoing developments. Sub committees of the Trustees may meet on a periodic basis to ensure the smooth running of the organisation. The charity is a member of the Fundraising Standards Board.

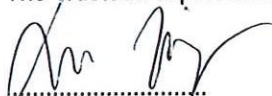
#### Related Parties

The Trustees are confident that sufficient processes are in place to identify related parties and report any transactions with them as is appropriate.

#### Auditor

In accordance with the company's articles, a resolution proposing that CBW Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

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



Mr Y Linenberg

Trustee

Dated: 15/9/2022

## **ORT UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees, who are also the directors of ORT UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# ORT UK

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ORT UK

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### Opinion

We have audited the financial statements of ORT UK (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



## **ORT UK**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF ORT UK**

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##### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## ORT UK

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF ORT UK

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We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. The laws and regulations applicable to the charity were identified through discussions with trustees and other management, and from our commercial knowledge and experience of ORT UK. Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Companies Act 2006, taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation. The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence. The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**ORT UK**

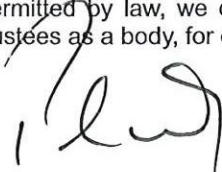
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF ORT UK**

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**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Paul Woosey (Senior Statutory Auditor)**  
for and on behalf of CBW Audit Limited

15 September 2022

**Chartered Accountants**  
**Statutory Auditor**

66 Prescott Street  
London  
E1 8NN

CBW Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



# ORT UK

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	163,922	2,560,964	2,724,886	418,845	49,500	468,345
Charitable activities	4	425,634	-	425,634	352,139	-	352,139
Interest	5	11	-	11	966	-	966
<b>Total income</b>		<b>589,567</b>	<b>2,560,964</b>	<b>3,150,531</b>	<b>771,950</b>	<b>49,500</b>	<b>821,450</b>
<b>Expenditure on:</b>							
Raising funds	6	244,491	-	244,491	215,844	-	215,844
Charitable activities	7	409,022	2,560,964	2,969,986	607,581	49,500	657,081
Governance costs	10	35,016	-	35,016	30,022	-	30,022
<b>Total resources expended</b>		<b>688,529</b>	<b>2,560,964</b>	<b>3,249,493</b>	<b>853,447</b>	<b>49,500</b>	<b>902,947</b>
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(98,962)</b>	<b>-</b>	<b>(98,962)</b>	<b>(81,497)</b>	<b>-</b>	<b>(81,497)</b>
Fund balances at 1 January 2021		296,707	55,400	352,107	378,204	55,400	433,604
<b>Fund balances at 31 December 2021</b>		<b>197,745</b>	<b>55,400</b>	<b>253,145</b>	<b>296,707</b>	<b>55,400</b>	<b>352,107</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**ORT UK****BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		12,375		10,078
<b>Current assets</b>					
Debtors	13	5,944		10,550	
Cash at bank and in hand		291,583		359,815	
		297,527		370,365	
<b>Creditors: amounts falling due within one year</b>	14	(56,757)		(28,336)	
Net current assets			240,770		342,029
<b>Total assets less current liabilities</b>			253,145		352,107
<b>Income funds</b>					
Restricted funds	15		55,400		55,400
Unrestricted funds			197,745		296,707
			253,145		352,107

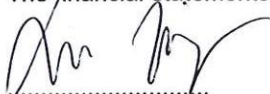
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 15/09/22.



Mr Y Linenberg  
Trustee

Company Registration No. 05090789

# ORT UK

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	19		(65,946)		(86,857)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,297)		-	
Investment income received		11		966	
		<u>          </u>		<u>          </u>	
<b>Net cash (used in)/generated from investing activities</b>			(2,286)		966
<b>Net cash used in financing activities</b>			-		-
			<u>          </u>		<u>          </u>
<b>Net decrease in cash and cash equivalents</b>			(68,232)		(85,891)
Cash and cash equivalents at beginning of year			359,815		445,706
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u>291,583</u>		<u>359,815</u>



# ORT UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Charity information

ORT UK is a private company limited by guarantee incorporated in England and Wales. The registered office is Shield House, 18 Harmony Way, London, NW4 2BZ.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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. The trustees have assessed the impact of COVID-19 on going concern and while the charity did not have much activity operationally, they were able to build a large surplus of funds for which they expect to use in the next financial year, further strengthening the going concern assessment. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Grants payable are payments made to third parties in the furtherance of the charitable objectives.

Support cost include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

**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:

Long leasehold improvements	Straight line over the term of the lease
Computer equipment	25% reducing balance basis
Fixtures, fittings & equipment	25% reducing balance basis

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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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 trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

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

1.10 Foreign exchange

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the statement of financial activities.

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Management do not consider there to be any material judgements or estimation and uncertainty requiring disclosure.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £
Donations and gifts	110,374	2,560,964	2,671,338	196,972	246,472
Legacies receivable	53,548	-	53,548	213,887	213,887
CJRS Grant Income	-	-	-	7,986	7,986
	<u>163,922</u>	<u>2,560,964</u>	<u>2,724,886</u>	<u>418,845</u>	<u>468,345</u>

4 Charitable activities

	Annual Dinner and Business Breakfast 2021 £	Annual Dinner and Business Breakfast 2020 £
Breakfast	34,811	27,790
Lunch	14,065	15,780
Dinner	287,009	275,332
Other	89,749	33,237
	<u>425,634</u>	<u>352,139</u>

## ORT UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 5 Interest

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	11	966

#### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Costs of generating funds		
Cost of generating donations and legacies	174,512	170,116
Costs of Fundraising Events		
Fundraising events	69,979	45,728
	244,491	215,844

## ORT UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 7 Charitable activities

	2021 £	2020 £
World ORT	314,097	533,679
World ORT, restricted	2,560,964	49,500
Project JUMP	94,925	73,902
	<u>2,969,986</u>	<u>657,081</u>
	<u>2,969,986</u>	<u>657,081</u>
<b>Analysis by fund</b>		
Unrestricted funds	409,022	607,581
Restricted funds	2,560,964	49,500
	<u>2,969,986</u>	<u>657,081</u>
<b>For the year ended 31 December 2020</b>		
Unrestricted funds	607,581	
Restricted funds	49,500	
	<u>657,081</u>	

#### 8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees made charitable donations to the the charity during the period.



## ORT UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 9 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration and fundraising	6	7

##### Employment costs

	2021 £	2020 £
Wages and salaries	195,596	164,661
Social security costs	11,504	14,304
Other pension costs	7,754	5,065
	<u>215,854</u>	<u>184,030</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	1	1

#### 10 Governance costs

	2021 £	2020 £
Employment costs	17,720	14,307
Audit fees	10,800	10,363
Accountancy fees	5,270	4,232
Bank charges	1,220	992
Cardnet service charges	6	128
	<u>35,016</u>	<u>30,022</u>

#### 11 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

## ORT UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12 Tangible fixed assets

	Long leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2021	11,819	52,186	15,767	79,772
Additions	-	2,297	-	2,297
	<u>11,819</u>	<u>54,483</u>	<u>15,767</u>	<u>82,069</u>
At 31 December 2021	11,819	54,483	15,767	82,069
<b>Depreciation and impairment</b>				
At 1 January 2021	11,818	47,957	9,919	69,694
At 31 December 2021	11,818	47,957	9,919	69,694
<b>Carrying amount</b>				
At 31 December 2021	<u>1</u>	<u>6,526</u>	<u>5,848</u>	<u>12,375</u>
At 31 December 2020	<u>1</u>	<u>4,229</u>	<u>5,848</u>	<u>10,078</u>

#### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	3,691	8,065
Prepayments and accrued income	2,253	2,485
	<u>5,944</u>	<u>10,550</u>

#### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	48,709	-
Other creditors	691	692
Accruals and deferred income	7,357	27,644
	<u>56,757</u>	<u>28,336</u>

Included within creditors is £47,293 (2020: £17,444) due to World ORT for services provided.

# ORT UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 15 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 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Balance at 31 December 2021
	£	£	£	£	£	£
General restricted fund	55,400	49,500	(49,500)	55,400	-	55,400

### 16 Unrestricted funds

Unrestricted reserves are free reserves held by the charity.

### 17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:					
Tangible assets	12,375	-	12,375	10,078	10,078
Current assets/(liabilities)	240,770	-	240,770	231,229	342,029
	253,145	-	253,145	241,307	352,107

### 18 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year, the charity received £48,920 (2020: £96,193) as donations without conditions from the trustees.

The charity is controlled by the trustees who are all directors of the company.

## ORT UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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<b>19</b>	<b>Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Deficit for the year	(98,962)	(81,497)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(11)	(966)
	Movements in working capital:		
	Decrease/(increase) in debtors	4,606	(5,655)
	Increase in creditors	28,421	1,261
		<u>          </u>	<u>          </u>
	<b>Cash absorbed by operations</b>	<b>(65,946)</b>	<b>(86,857)</b>
		<u>          </u>	<u>          </u>
<b>20</b>	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		