

Beis Mordechai
Unaudited Financial Statements
5 April 2021

HAFFNER HOFF LTD

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

Beis Mordechai

Financial Statements

Year ended 5 April 2021

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Beis Mordechai

Trustees' Annual Report

Year ended 5 April 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2021.

Reference and administrative details

Registered charity name Beis Mordechai

Charity registration number 1110211

Principal office 55 Kings Road
Prestwich
Manchester
M25 0LQ

The trustees

E Roitenbarg
Z Klyne
P Heimann

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

Beis Mordechai

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Structure, governance and management

Beis Mordechai is constituted under a deed dated 14 March 2004 as amended on 02 June 2005. It is a registered charity number 1110211.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mr E Roitenbarg on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making as well as ensuring the direct charitable activity is managed and maintained to the highest possible standard.

These risks are managed by the trustees researching potential beneficiaries before granting donations as well as overseeing the direct charitable activity in a way that ensures best use of resources.

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

Beis Mordechai

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Objectives and activities

The objects of the charity are to advance education and religion in accordance with the doctrines and principles of Orthodox Judaism.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

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

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

The application of the funds by way of grants to either institutions or individuals.

The charity also operates a synagogue and the running expenses are all borne by the charity. The charity sometimes makes grant payments to institutions and the details can be found in the notes to the accounts.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object as well as how the Synagogue is maintained. The grants paid out in the year as well as the Synagogue maintenance are detailed in the notes to the accounts and the trustees consider they have met the above aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Beis Mordechai

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Achievements and performance

The charity received £181,562 in donations and £2,607 in grants receivable during the year of which £122,867 was paid out in synagogue expenses, support costs and other fundraising costs.

Grants totalling £54,500 were also paid out during the year as disclosed in the notes to the accounts that are all in line with the objects of the charity.

The charity also received income of £34,034 under the Government JRS scheme during the Covid pandemic.

The charity also had total rental income receivable during the year amounting to £10,740.

The charity has governance costs comprising professional fees.

The trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

Fundraising costs incurred during the year are as disclosed in the notes to the accounts.

There were no investments made during the year.

There were no related party transactions in the reporting period.

There was an overall net income and net movement in funds for the year amounting to £51,576.

Financial review

The trustees feel that the activity reflects the increasing profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

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

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

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

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

Coronavirus

The charity has not been materially affected by the coronavirus. The charity did avail itself of the JRS scheme to aid cash flow during the pandemic.

The free reserves, represented by the net current assets of the charity stand at £53,329 all of which are unrestricted.

Beis Mordechai

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

The trustees' annual report was approved on 25 February 2022 and signed on behalf of the board of trustees by:

E Roitenbarg
Trustee

Beis Mordechai

Independent Examiner's Report to the Trustees of Beis Mordechai

Year ended 5 April 2021

I report to the trustees on my examination of the financial statements of Beis Mordechai ('the charity') for the year ended 5 April 2021.

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

25 February 2022

Beis Mordechai

Statement of Financial Activities

Year ended 5 April 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	215,596	2,607	218,203	153,026
Other income	5	10,740	—	10,740	10,740
Total income		<u>226,336</u>	<u>2,607</u>	<u>228,943</u>	<u>163,766</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	6	12,044	—	12,044	—
Expenditure on charitable activities	7,8	162,716	2,607	165,323	146,375
Total expenditure		<u>174,760</u>	<u>2,607</u>	<u>177,367</u>	<u>146,375</u>
Net income and net movement in funds		<u>51,576</u>	<u>—</u>	<u>51,576</u>	<u>17,391</u>
Reconciliation of funds					
Total funds brought forward		641,835	—	641,835	624,444
Total funds carried forward		<u>693,411</u>	<u>—</u>	<u>693,411</u>	<u>641,835</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 9 to 16 form part of these financial statements.

Beis Mordechai

Statement of Financial Position

5 April 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	15		848,293	850,162
Current assets				
Debtors	16	–		402
Cash at bank and in hand		62,675		39,356
		<u>62,675</u>		<u>39,758</u>
Creditors: amounts falling due within one year	17	<u>9,346</u>		<u>33,498</u>
Net current assets			<u>53,329</u>	<u>6,260</u>
Total assets less current liabilities			<u>901,622</u>	<u>856,422</u>
Creditors: amounts falling due after more than one year	18		<u>208,211</u>	<u>214,587</u>
Net assets			<u><u>693,411</u></u>	<u><u>641,835</u></u>
Funds of the charity				
Unrestricted funds			<u>693,411</u>	<u>641,835</u>
Total charity funds	19		<u><u>693,411</u></u>	<u><u>641,835</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 25 February 2022, and are signed on behalf of the board by:

E Roitenbarg
Trustee

The notes on pages 9 to 16 form part of these financial statements.

Beis Mordechai

Notes to the Financial Statements

Year ended 5 April 2021

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 55 Kings Road, Prestwich, Manchester, M25 0LQ.

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.

Fair value

Debtors and creditors are fairly stated.

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 Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Beis Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & fittings	- 15% straight line
Motor Vehicles	- 25% straight line

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.

Beis Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	181,562	–	181,562
Grants			
CST	–	2,607	2,607
Mains (National Lottery)	–	–	–
JRS Grants	34,034	–	34,034
	<u>215,596</u>	<u>2,607</u>	<u>218,203</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	138,823	–	138,823
Grants			
CST	–	4,203	4,203
Mains (National Lottery)	–	10,000	10,000
JRS Grants	–	–	–
	<u>138,823</u>	<u>14,203</u>	<u>153,026</u>

Beis Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

5. Other income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Rent receivable	<u>10,740</u>	<u>10,740</u>	<u>10,740</u>	<u>10,740</u>

6. Costs of other trading activities

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Fundraising costs	<u>12,044</u>	<u>12,044</u>	<u>—</u>	<u>—</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Synagogue expenses	135,565	2,607	138,172
Support costs	<u>27,151</u>	<u>—</u>	<u>27,151</u>
	<u>162,716</u>	<u>2,607</u>	<u>165,323</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Synagogue expenses	107,014	14,203	121,217
Support costs	<u>25,158</u>	<u>—</u>	<u>25,158</u>
	<u>132,172</u>	<u>14,203</u>	<u>146,375</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Grant funding of activities	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£	£
Synagogue expenses	83,672	54,500	25,471	163,643	145,177
Governance costs	<u>—</u>	<u>—</u>	<u>1,680</u>	<u>1,680</u>	<u>1,198</u>
	<u>83,672</u>	<u>54,500</u>	<u>27,151</u>	<u>165,323</u>	<u>146,375</u>

Beis Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

9. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	16,728	16,728	14,960
Finance costs	8,743	8,743	9,000
Governance costs	1,680	1,680	1,200
	<u>27,151</u>	<u>27,151</u>	<u>25,160</u>

10. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Asser Bishvil	–	1,000
Filey Foundation	–	1,000
Keren Tzvi	2,000	–
Religious Grants	–	1,000
T T T	52,500	26,500
	<u>54,500</u>	<u>29,500</u>
Total grants	<u>54,500</u>	<u>29,500</u>

11. Net income

Net income is stated after charging/(crediting):	2021 £	2020 £
Depreciation of tangible fixed assets	13,069	13,165

12. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	1,440	1,200

13. Staff costs

The average head count of employees during the year was 12 (2020: 10). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Other staff	<u>12</u>	<u>10</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Beis Mordechai

Notes to the Financial Statements (continued)

Year ended 5 April 2021

14. Trustee remuneration and expenses

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

15. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Sefer Torah £	Total £
Cost					
At 6 April 2020	829,117	85,200	5,315	29,649	949,281
Additions	11,200	—	—	—	11,200
At 5 April 2021	840,317	85,200	5,315	29,649	960,481
Depreciation					
At 6 April 2020	—	94,959	4,160	—	99,119
Charge for the year	—	12,780	289	—	13,069
At 5 April 2021	—	107,739	4,449	—	112,188
Carrying amount					
At 5 April 2021	840,317	(22,539)	866	29,649	848,293
At 5 April 2020	829,117	(9,759)	1,155	29,649	850,162

16. Debtors

	2021 £	2020 £
Other debtors	—	402

17. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	7,868	7,132
Accruals and deferred income	1,440	1,200
Social security and other taxes	—	240
Other creditors	38	24,926
	9,346	33,498

The bank loan is secured on the land and buildings of the charity.

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

	2021 £	2020 £
Bank loans and overdrafts	208,211	214,587

The bank loan is secured on the land and buildings of the charity.

Beis Mordechai

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

19. Analysis of charitable funds

Unrestricted funds

	At 06 Apr 2020 £	Income £	Expenditure £	At 05 Apr 2021 £
General funds	<u>641,835</u>	<u>226,336</u>	<u>(174,760)</u>	<u>693,411</u>

	At 06 Apr 2019 £	Income £	Expenditure £	At 05 Apr 2020 £
General funds	<u>624,444</u>	<u>149,563</u>	<u>(132,172)</u>	<u>641,835</u>

Restricted funds

	At 06 Apr 2020 £	Income £	Expenditure £	At 05 Apr 2021 £
Grants receivable fund	<u>–</u>	<u>2,607</u>	<u>(2,607)</u>	<u>–</u>

	At 06 Apr 2019 £	Income £	Expenditure £	At 05 Apr 2020 £
Grants receivable fund	<u>–</u>	<u>14,203</u>	<u>(14,203)</u>	<u>–</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	848,293	848,293
Current assets	62,675	62,675
Creditors less than 1 year	(9,346)	(9,346)
Creditors greater than 1 year	(208,211)	(208,211)
Net assets	<u>693,411</u>	<u>693,411</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	850,162	850,162
Current assets	39,758	39,758
Creditors less than 1 year	(33,498)	(33,498)
Creditors greater than 1 year	(214,587)	(214,587)
Net assets	<u>641,835</u>	<u>641,835</u>

21. Taxation

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