

Machon Mayim Chaim

Charity number 1111180

Unaudited Financial Statements

For The Year Ended

31 December 2020

Machon Mayim Chaim

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Machon Mayim Chaim

Legal And Administrative Information

Trustees

G Itzinger
E Bamberger (appointed 10 November 2020)
J Faith (appointed 21 April 2020)

Charity's Correspondent Address

2 Ranelagh Drive
Edgware
Middlesex
HA8 8HW

Details of Formation

The charity is constituted by trust deed dated 20 May 2005
and registered with the charity commission on 5 September 2005
under charity number 1111180

Bankers

Barclays Bank plc

Independent Examiner

J Cowan, FCA
Albeck Limited
49 Mowbray Road
Edgware
Middlesex
HA8 8JL

Machon Mayim Chaim

Trustees' Annual Report

The trustees present their report and the accounts of the charity for the period ended 31 December 2020. The accounts have been prepared in accordance with the accounting policies set out on pages 9 and 10 and comply with the charity's trust deed and applicable law.

Legal and administrative information set out on page 1 forms part of this report.

Constitution and Objects of the Charity

The charity is constituted by trust deed dated 20 May 2005 and registered with the charity commission on 5 September 2005 under charity number 1111180.

The principal objectives of the charity are:

- (a) to advance Judaism through Jewish education and the provision of a community center and/or synagogue for the purpose of worship
- (b) to conduct services, meetings and provide educational facilities to provide for spiritual and religious needs
- (c) to produce and/or distribute literature on Judaism to enlighten others about the Jewish religion and advancing religious educational and charitable activities to be carried out in accordance with the principles of orthodox Jewish laws and practices, and
- (d) such other purposes as are recognised by English law as charitable and to act in association with other bodies having similar objects.

The trustees must use the income and may use the capital of the charity in promoting the objects.

The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 4 of the Charities Act 2011. The trustees believe that the charity achieves a public benefit through these objectives.

Trustees and Governance

The trustees in office in the period were as follows:

G Itzinger
E Bamberger (appointed 10 November 2020)
J Faith (appointed 21 April 2020)
S Franks (resigned 10 November 2020)

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Trustees' Annual Report (Continued)

Trustees and Governance (continued)

The power of appointing a new trustee or trustees hereof shall be vested in a majority in number of the trustees or if there is only one trustee for the time being the provisions of section 36 Trustees Act 1925 shall have affect.

The trustees have been selected as a result of their standing in the community and professional expertise. No training has been deemed necessary during the year to allow the trustees to carry out their duties. Training and development are considered on an ongoing basis.

Charity's Activities and Achievements

During the year the charity has again been very successful in carrying out its primary goals. The educational lectures and presentations have been very well attended and the speakers have covered a diverse range of fascinating topics. The effects of Covid meant that many events had to be cancelled / postponed. Those events that could continue remotely did.

The trustees are particularly grateful to the ongoing significant financial support that has been provided by the supporters of the charity. They recognise that they have been given a significant responsibility by the donors to put the funds to the most beneficial projects. The charity has a low level of expenditure, which is mostly used to cover the costs of putting on presentations along with a small overhead cost. The trustees have made a significant effort not to waste money and have managed to build up cash reserves to cover more than 12 months expenditure which will ensure that lectures can continue, even if there is a fall in the level of donations received.

Since the year end, the trustees have recommenced the high level of activities carried out in the resource centre. This has led to more exciting programmes and a greater variety of educational events. The trustees are particularly grateful to the financial supporters of the charity who have ensured that these increased activities could go ahead as this has come at an increased cost. Surplus space in the centre has been rented out to raise additional funds for the charity.

The trustees have continued to keep expenditure at a low level and at the year-end the charity had £184k (2019: £117k) retained as cash reserves.

Related Party Transactions

The charity had no related party transactions during the period.

Investments Policy

The charity owns a property which functions as a resource and educational center. It also has a bank current account and savings account. There are the only investments to which the charity has title.

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Trustees' Annual Report (Continued)

Reserves Policy

The trustees aim to retain funds equivalent to at least 12 months expenditure to take account of any potential short fall in donations in future.

Grant and Donation Making Policy

It is not generally the policy of the charity to make grants, however, in exceptional circumstances, any application to charity for grants or donations or loans are considered carefully by the trustees at regular meetings. If the trustees feel that the application meets their approval in principle, they will meet applicants face to face and discuss with them the project for which the organisation is seeking assistance. The Trustees would then have a further meeting before making a decision as to whether assistance should be granted, and if so, to what level.

Risk Management

The trustees regularly undertake a review of the major risks to which the charity is exposed, and systems designed to mitigate those risks are considered on an ongoing basis.

There are two major risks that the trustees have identified, as follows:

(a) Fall in the level of donations

The level of donations is fundamental to the operation of the charity. Given that the charity is relatively new, the consistency of donations is of major importance. The trustees have tried to mitigate against a fall in the level of donations by having as many donors as possible providing their donation by monthly standing order. The trustees are making every effort to increase the number of donors by seeking support from the local community in an attempt to reduce their current reliance on a few key donors. The trustees also make every effort to keep in regular contact with their donors so that they are able to see the difference that their contributions are making.

(b) Misappropriation of funds

The control of funds is key to any charity. The trustees meet regularly and discuss progress. At these meeting the costs of the charity are discussed by the trustees. This helps to ensure that all expenses paid out from the charity are legitimate. It also makes sure that the trustees consider the expenditure incurred to be the best use of funds at that time. The trustees also hope that any misappropriation of funds would come to light in the independent examination.

Since the banking arrangements ensure that only the trustees have access to the bank account, this also reduces risk of misappropriation.

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Trustees' Annual Report (Continued)

Public Benefit

The trustees acknowledge the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. All activities undertaken by the charity are for the public benefit. With a focus on providing a much needed resource and educational centre for the local, orthodox Jewish community, the organisation's operation is very much geared to providing benefit to the Jewish and wider community as is highlighted by the activities reported herein.

Trustees' Responsibilities in Relation to the Accounts

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period, which give a true and fair view of the state of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing those accounts, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. follow applicable UK accounting standards and the Statement of Recommended Practice, subject to any departures disclosed and explained in the accounts;
- d. 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 accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011. 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.

Approved by the trustees and signed by their order.

E. Bamberger
Trustee

29 October 2021

Independent Examiner's Report to the Trustees of
Machon Mayim Chaim (charity number 1111180)
for the Year Ended 31 December 2020

I report on the accounts of the trust for the year ended 31 December 2020, which are set out on pages 6 to 11.

Respective Responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Justin Cowan, FCA
Albeck Limited
Chartered Accountants
49 Mowbray Road
Edgware
Middlesex
HA8 8JL

29 October 2021

Machon Mayim Chaim (charity number 1111180)

Statement of Financial Activities

for the Year Ended 31 December 2020

	Note	2020 Unrestricted and total funds £	2019 Total funds £
Incoming resources			
Donations received	(2)	114,063	126,795
Investment income	(3)	<u>16,279</u>	<u>13,941</u>
Total incoming resources	(11)	<u>130,342</u>	<u>140,736</u>
Resources expended			
<i>Cost of generating funds</i>			
Fundraising costs	(4)	3,600	9,220
<i>Charitable expenditure</i>			
Educational events and lectures	(5)	60,830	70,272
<i>Governance costs</i>	(6)	<u>574</u>	<u>585</u>
Total resources expended	(11)	<u>(65,004)</u>	<u>(80,077)</u>
Net movement in funds		65,338	60,659
Total funds brought forward		<u>534,902</u>	<u>474,243</u>
Total funds carried forward	(11,12)	<u>£600,240</u>	<u>£534,902</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing operations.

The notes on pages 9 to 13 form part of these accounts.

Machon Mayim Chaim (charity number 1111180)

Statement of Financial Position

for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	(8)	624,695	640,549
		<u> </u>	<u> </u>
Current Assets			
Cash at bank and in hand		183,902	116,628
Creditors: Amounts falling due within one year	(9)	<u>(27,107)</u>	<u>(26,025)</u>
Net current assets		<u>156,795</u>	<u>90,603</u>
Total assets less current liabilities		781,490	731,152
Creditors: Amounts falling due after more than one year	(10)	<u>(181,250)</u>	<u>(196,250)</u>
Net assets	(11,12)	<u>£600,240</u>	<u>£534,902</u>
Income funds			
Unrestricted funds	(11,12)	<u>£600,240</u>	<u>£534,902</u>

These accounts were approved on 28 October 2021 and signed on behalf of the trustees.

E. Bamberger Trustee

The notes on pages 9 to 13 form part of these accounts.

Machon Mayim Chaim

Notes to the Accounts - 31 December 2020

1. Accounting Policies

a. Basis of Accounting

These accounts have been prepared in compliance with FRS102, 'The Financial Reporting Standard in the UK and the Republic of Ireland', the Statement of Recognised Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) and the Charities Act 2011.

b. Basis of preparation

The accounts have been prepared on the historical cost basis.

c. Going concern

There are no material uncertainties regarding the charity's ability to continue and, as such, the accounts have been prepared on the going concern basis.

d. Judgements and key sources of uncertainty from estimation

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

e. Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on the income and expenditure account. They are available for the use at the discretion of the trustees in furtherance of the general objects of the charity.

Restricted funds are subject to specific restricted conditions as imposed by the donors. There are no restricted funds at the year end.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the year end.

f. Donations

Donations are accounted for when the charity becomes entitled to the donation and any conditions for receipt are met.

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Notes to the Accounts - 31 December 2020 (continued)

g. Support costs

Support costs are those costs which are common to all areas of the organisation. These are allocated across all areas of activity based on the number of service users for each activity.

h. Governance costs

Governance costs are associated with the governance arrangements of the charity and relate to the general running of the charity.

i. Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

j. Depreciation

Depreciation of tangible fixed assets is calculated at rates estimated to write off the cost of the assets over their expected useful lives as follows:

Land and buildings	2% on cost
Fixtures and fittings	33% on written down value
Motor vehicles	25% on written down value

k. Cash Flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement.

2. Donations Received

	2020 £	2019 £
Individuals (including gift aid recovered)	21,623	28,058
Corporate donors	4,944	4,609
Charitable foundations	<u>87,496</u>	<u>94,128</u>
	<u>£114,063</u>	<u>£126,795</u>

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Notes to the Accounts - 31 December 2020 (continued)

3. Investment income

	2020 £	2019 £
Rental income	£16,279	£13,941
	=====	=====

4. Fundraising costs

Motor and travel expenses	£3,600	£9,221
	=====	=====

5. Charitable Expenditure

Costs incurred in presenting lectures

Books and stationary	235	223
Cleaning	790	1,640
Depreciation	15,854	16,482
Food and refreshments for events	1,980	1,592
Insurance	5,507	3,290
Lecture and event expenses	8,959	14,127
Motor and travel expenses	1,620	5,358
Office expenses	1,579	1,847
Professional fees	2,391	4,463
Religious items	1,183	2,302
Repairs	1,089	983
Telephone and internet	714	775
Utilities	5,664	5,010
Wages and lecturer fees	13,265	12,180
	£60,830	£70,272
	=====	=====

6. Governance costs

Accountancy – Independent examiner’s fee	510	510
Bank charges	64	75
	£574	£585
	=====	=====

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Notes to the Accounts - 31 December 2020 (continued)

7. Analysis of staff costs	2020 £	2019 £
Wages and salaries	13,266	12,180
Social security	-	-
Other staff costs	_____	_____
	£13,266 =====	£12,180 =====

The average number of employees during the year was 2 (2019: 2).

8. Tangible Fixed Assets

	Land and Buildings	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 January 2020	729,963	18,996	748,959
Additions	_____	_____	_____
At 31 December 2020	729,963 _____	18,996 _____	748,959 _____
<i>Depreciation</i>			
At 1 January 2020	93,180	15,230	108,410
Charge for the Year	<u>14,599</u>	<u>1,255</u>	<u>15,854</u>
At 31 December 2020	107,779 _____	16,485 _____	124,264 _____
<i>Net Book Value</i>			
At 31 December 2020	£622,184 =====	£2,511 =====	£624,695 =====
At 31 December 2019	£636,783 =====	£3,766 =====	£640,549 =====

9. Creditors: Amounts falling due within one year	2020 £	2019 £
Other creditors (see note 9)	25,575	25,575
Taxation and social security	1,022	-
Accruals	<u>510</u>	<u>450</u>
	£27,107 =====	£26,025 =====

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Notes to the Accounts - 31 December 2020 (continued)

10. Creditors: Amounts falling due after more than one year	2020	2019
	£	£
Other creditors	£181,250	£196,250
	=====	=====

Other creditors due within and after more than one year includes:

- (a) a loan advanced by The Aberdeen Foundation, charity number 1151506. The loan totals £196,250 (2019: £211,250), is interest free and repayable in installments over 20 years,
- (b) a loan advanced by Fordeve Limited, charity number 1011612. The loan totals £10,000 (2019: £10,000), The loan is interest free and repayable on demand,
- (c) a loan from a private individual. The loan totals £575 (2019: £575). The loan is interest free and repayable on demand.

11. Analysis of charitable funds	2020	2019
	£	£
Unrestricted funds		
At 1 January 2020	534,902	474,243
Incoming resources	130,342	140,736
Resources expensed	(65,004)	(80,078)
At 31 December 2020	£600,240	£534,902
	=====	=====

12. Analysis of net assets between funds	Unrestricted and Total funds 2020	Total funds 2019
Fixed assets	624,695	640,549
Current assets	183,902	116,628
Creditors due in less than once year	(27,107)	(26,025)
Creditors due after more than once year	(181,250)	(196,250)
	£600,240	£534,902
	=====	=====

13. Related party transactions

There have been no related party transactions in the period that require disclosure.