

Machon Mayim Chaim

Charity number 1111180

Unaudited Financial Statements

For The Year Ended

31 December 2021

Machon Mayim Chaim

Contents	Page
Legal and administrative information	1
Trustees' annual report	2 – 5
Independent examiner's report	6
Statement of financial activities	7
Statement of financial position	8
Notes to the accounts	9 - 13

Machon Mayim Chaim

Legal And Administrative Information

Trustees

E Itzinger
E Bamberger
J Faith

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 2021. 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:

E Itzinger
E Bamberger
J Faith

Machon Mayim Chaim

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 continued effects of Covid meant that many events had to be cancelled / postponed. Those events that could continue remotely did. As of the end of the year, most activities had returned to normal.

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 £254k (2020: £184k) retained as cash reserves. Following the year end, the trustees invested in a brand new library for the use of the resource center. This has led to an expansion of the activities carried out in the center and has increased the number of users.

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.

Machon Mayim Chaim

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.

Machon Mayim Chaim

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

31 October 2022

Independent Examiner's Report to the Trustees of
Machon Mayim Chaim (charity number 1111180)
for the Year Ended 31 December 2021

I report on the accounts of the trust for the year ended 31 December 2021, 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

31 October 2022

Machon Mayim Chaim (charity number 1111180)

Statement of Financial Activities

for the Year Ended 31 December 2021

	Note	2021 Unrestricted and total funds £	2020 Total funds £
Incoming resources			
Donations received	(2)	132,797	114,063
Investment income	(3)	<u>17,521</u>	<u>16,279</u>
Total incoming resources	(11)	<u>150,318</u>	<u>130,342</u>
Resources expended			
<i>Cost of generating funds</i>			
Fundraising costs	(4)	5,569	3,600
<i>Charitable expenditure</i>			
Educational events and lectures	(5)	73,714	60,830
<i>Governance costs</i>	(6)	<u>685</u>	<u>574</u>
Total resources expended	(11)	<u>(79,968)</u>	<u>(65,004)</u>
Net movement in funds		70,350	65,338
Total funds brought forward		<u>600,240</u>	<u>534,902</u>
Total funds carried forward	(11,12)	<u>£670,590</u>	<u>£600,240</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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	(8)	609,259	624,695
		<u> </u>	<u> </u>
Current Assets			
Cash at bank and in hand		254,850	183,902
Creditors: Amounts falling due within one year	(9)	<u>(27,269)</u>	<u>(27,107)</u>
Net current assets		<u>227,581</u>	<u>156,795</u>
Total assets less current liabilities		836,840	781,490
Creditors: Amounts falling due after more than one year	(10)	<u>(166,250)</u>	<u>(181,250)</u>
Net assets	(11,12)	<u>£670,590</u>	<u>£600,240</u>
Income funds			
Unrestricted funds	(11,12)	<u>£670,590</u>	<u>£600,240</u>

These accounts were approved on 31 October 2022 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 2021

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.

Machon Mayim Chaim

Notes to the Accounts - 31 December 2021 (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

	2021 £	2020 £
Individuals (including gift aid recovered)	20,677	21,623
Corporate donors	5,215	4,944
Charitable foundations	<u>106,905</u>	<u>87,496</u>
	<u>£132,797</u>	<u>£114,063</u>

Machon Mayim Chaim

Notes to the Accounts - 31 December 2021 (continued)

3. Investment income

	2021 £	2020 £
Rental income	16,800	16,279
Interest receivable	<u>721</u>	<u>-</u>
	<u>£17,521</u>	<u>£16,279</u>

4. Fundraising costs

Motor and travel expenses	<u>£ 5,569</u>	<u>£3,600</u>
---------------------------	----------------	---------------

5. Charitable Expenditure

Costs incurred in presenting lectures

Books and stationary	640	235
Cleaning	699	790
Depreciation	15,436	15,854
Food and refreshments for events	3,110	1,980
Insurance	6,157	5,507
Lecture and event expenses	17,350	8,959
Motor and travel expenses	3,104	1,620
Office expenses	3,848	1,579
Professional fees	546	2,391
Religious items	1,000	1,183
Repairs	1,221	1,089
Telephone and internet	429	714
Utilities	5,474	5,664
Wages and lecturer fees	<u>14,700</u>	<u>13,265</u>
	<u>£73,714</u>	<u>£60,830</u>

6. Governance costs

Accountancy – Independent examiner's fee	600	510
Bank charges	<u>85</u>	<u>64</u>
	<u>£685</u>	<u>£574</u>

Machon Mayim Chaim

Notes to the Accounts - 31 December 2021 (continued)

7. Analysis of staff costs	2021 £	2020 £
Wages and salaries	14,700	13,266
Social security	-	-
Other staff costs	_____	_____
	£13,266 =====	£13,266 =====

The average number of employees during the year was 2 (2020: 2).

8. Tangible Fixed Assets

	Land and Buildings	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 January 2021	729,963	18,996	748,959
Additions	_____	_____	_____
At 31 December 2021	729,963 _____	18,996 _____	748,959 _____
<i>Depreciation</i>			
At 1 January 2021	107,779	16,485	124,264
Charge for the Year	<u>14,599</u>	<u>837</u>	<u>15,436</u>
At 31 December 2021	122,378 _____	17,322 _____	139,700 _____
<i>Net Book Value</i>			
At 31 December 2021	£607,585 =====	£1,674 =====	£609,259 =====
At 31 December 2020	£622,184 =====	£2,511 =====	£624,695 =====

9. Creditors: Amounts falling due within one year	2021 £	2020 £
Other creditors (see note 9)	25,575	25,575
Taxation and social security	584	1,022
Accruals	<u>600</u>	<u>510</u>
	£27,269 =====	£27,107 =====

Machon Mayim Chaim

Notes to the Accounts - 31 December 2021 (continued)

10. Creditors: Amounts falling due after more than one year	2021	2020
	£	£
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 £181,250 (2020: £196,250), 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 (2020: £10,000), The loan is interest free and repayable on demand,
- (c) a loan from a private individual. The loan totals £575 (2020: £575). The loan is interest free and repayable on demand.

11. Analysis of charitable funds	2021	2020
	£	£
Unrestricted funds		
At 1 January 2021	600,240	534,902
Incoming resources	150,318	130,342
Resources expensed	(79,968)	(65,004)
At 31 December 2021	£670,590	£600,240
	=====	=====
12. Analysis of net assets between funds	Unrestricted and Total funds 2021	Total funds 2020
Fixed assets	609,259	624,695
Current assets	254,850	183,902
Creditors due in less than once year	(27,269)	(27,107)
Creditors due after more than once year	(166,250)	(181,250)
	£670,590	£600,240
	=====	=====

13. Related party transactions

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