
MIZRACHI (UK) ISRAEL SUPPORT TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

MIZRACHI (UK) ISRAEL SUPPORT TRUST

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MIZRACHI (UK) ISRAEL SUPPORT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	D D Morris S Blumgart G Kurland M Fruhman S Melnick M Bauernfreund A Harris J Silberstein (appointed 8 July 2024)
Charity registered number	1137199
Registered address	2 Hallswelle Road London NW11 0DJ
Principal operating office	44a Albert Road London NW4 2SJ
Chief executive officer	Rabbi A Shaw
Independent Examiner	Ian Saunderson FCA BKL Audit LLP 35 Ballards Lane London N3 1XW

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the financial statements of the Charity for the year to 31 December 2023.

Objectives and activities

a. Policies and objectives

The objectives of the charity are to further promote the work of Mizrachi by working in schools, communities and campus to strengthen the Jewish community's connection to Modern Orthodoxy and a strong connection to the State of Israel.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Mizrachi UK primarily focuses on strengthening Jewish identity within the UK and providing support to Israel in areas of greatest need. Additionally, we periodically collaborate with other partners and communities, with a particular emphasis on the UK Jewish community.

c. Activities undertaken to achieve objectives

Leadership Programming

Mizrachi UK is committed to identifying, training, and deploying young British men and women to serve as the next generation of Rabbis and female educators through the Mizrachi Rabbinical Fellowship Programme. This initiative aims to equip participants with the skills and knowledge necessary to lead within the UK Jewish community.

Community Engagement

We facilitate a diverse range of programming throughout the UK, which includes speaker tours, localized cultural activities, and unique productions. Our flagship events, such as the Weekend of Inspiration and Day of Inspiration, are designed to foster engagement and connection within the community, providing enriching experiences for all participants.

Yehudi

The Yehudi programme aims to promote positive Jewish experiences that enhance the Jewish identity of youth through peer-to-peer leadership. This initiative involves connecting young people with inspiring madrichim during a variety of events and activities. Additionally, we focus on recruiting, training, and mentoring sixth-form and university students to become madrichim and mentors, thereby creating pathways for leadership opportunities within the Jewish educational sector.

d. Grant-making policies

The Mizrachi Rabbinical Fellowship Programme provides educational opportunities for young British men and women through their studies in Israel. Applicants must meet rigorous criteria to qualify for the programme. Those who are successful and demonstrate a need for financial support are awarded grants to help cover their living expenses while studying in Israel. These grants are provided with the understanding that recipients will return to the UK to become the next generation of Rabbis and female educators.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

e. Volunteers

In 2023, the Yehudi Year 6 programme recruited 85 Year 12 volunteers to serve as youth leaders (madrichim) for Year 6 participants completing their primary education. These volunteers provide programming for over 330 Year 6 students and are supported by 18 mentors and three senior leaders.

The previous cohort of Year 12 volunteers transitioned to Year 13 and continued their volunteering involvement with the programme, facilitating sessions for over 460 Year 7 students, with similar mentor and senior leader support structures in place.

The programming will extend through to Year 11, when it is expected that these students will re-enter the Yehudi framework as madrichim when they reach Year 12. Similarly, Year 12 madrichim will have opportunities to progress into mentorship roles, preparing them for future leadership positions within the community and possible entry into the Mizrahi Fellowship Programme.

To enhance their training and leadership skills, the volunteers participated in training sessions and attended regular meetings with their mentors.

The charity is guided by a board of seven trustees (listed below), who provide oversight to the executive team in making effective decisions, fulfilling the charity's mission, maintaining financial accountability, and ensuring compliance with our governing documents and legal requirements.

Trustees formally meet with the executive team approximately three to four times a year, along with informal discussions throughout the year.

Grant allocations are discussed at least monthly between these Trustees and the Executive Director.

f. Main activities undertaken to further the Charity's purposes for the public benefit

Leadership Programming

Mizrahi UK is committed to identifying, training, and deploying young British men and women to serve as the next generation of Rabbis and female educators through the Mizrahi Rabbinical Fellowship Programme. This initiative aims to equip participants with the skills and knowledge necessary to lead within the Jewish community.

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Yehudi

The Yehudi programme aims to promote positive Jewish experiences that enhance the Jewish identity of youth through peer-to-peer leadership. This initiative involves connecting young people with inspiring madrichim during a variety of events and activities. Additionally, we focus on recruiting, training, and mentoring sixth-form and university students to become madrichim, mentors, and members of the senior leadership team, thereby creating pathways for leadership opportunities within the Jewish educational sector.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

a. Key performance indicators

Leadership Programme

- Twelve graduate couples have successfully completed the Rabbinical Fellowship Programme since its inception in September 2016.
- Graduate couples have successfully been recruited and employed by notable UK Jewish Synagogue and Communal organisations where they work tirelessly to strengthen engagement within the community.
- Mizrachi UK introduced the Alumni Programme in September 2023 to foster a supportive network among Fellows, enhance support for current and former Fellows and to track the long-term impact of Fellows on their communities
- At 31 December 2023 two participant couples are currently enrolled in the Fellowship programme.
- One Shlichim couple lives and works in the Manchester community and are engaged in strengthening local communities connection to Israel.

Community Engagement

- Mizrachi UK hosted a four-day event, Weekend of Inspiration and Day of Inspiration, from Thursday 16 to Sunday 19 May 2024, featuring 33 scholars and educators from Israel.
- It included Shabbat programming in over 49 communities and a Day of Inspiration on Sunday, with keynote addresses and workshops for hundreds of attendees participants in London and Manchester communities
- 3,000 people have opted in to receive the weekly emailed journal
- Student Bet Midrash Programming impacts between 50 to 90 secondary school and university students on a weekly basis
- The weekly Bet Midrash Programming effects 30 to 40 adults on a weekly basis
- Our publications continue to be produced and enjoyed.
- The HaMizrachi magazine published for Chagim was made available online with over 25,000 printed copies distributed to over 40 communities across the UK.

Yehudi

- 85 Year 12 volunteers recruited madrichim to deliver content to over 330 Year 6 students, supported by 18 mentors and three senior leaders
- 60 Year 13 volunteers facilitating sessions for over 460 Year 7 students, with similar mentor and senior leader support structures in place.
- 18 post-gap year students were identified and appointed as mentors to support the new cohort of Year 12 madrichim. Existing mentors remained in situ to support the Year 13 volunteers.
- A mix of 80 youth leaders, mentors and senior leaders attended a successful weekend residential as part of the volunteer onboarding process.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

b. Review of activities

Mizrachi UK continues to work with the community to strengthen Jewish identity and its support for Israel. Through its work in schools, shuls and campuses across the country Mizrachi UK delivers its three core elements of Leadership Programming, Community Engagement and Yehudi.

Leadership Programme

The Mizrachi Rabbinical Fellowship Programme galvanises UK Jewish communities, schools and communal organisations through Semicha and leadership education training of young British men and women through their studies in Israel. It is expected that they return to the UK as strong Rabbinical leaders and female educators to inspire and strengthen communal engagement.

Two graduate couples of the programme returned to the UK in 2023. They were successfully placed within the community, bringing the total graduate couples working in the UK community to twelve. We look forward to welcoming back to the UK two further graduate couples in 2024.

Community Engagement Programme

Mizrachi UK runs an array of community engagement programming across the UK. The programming includes speaker tours featuring local and international educators, publications such as HaMizrachi and the Tzurba HaRabbanim learning programme, as well as bespoke localised community cultural activities.

c. Factors relevant to achieve objectives

External Challenges:

- Economic uncertainty and geopolitical conflict will impact on the charity's ability to function effectively. These factors can influence community engagement and overall operational effectiveness as charitable giving by supporters may be diverted elsewhere.

Programme Recruitment Difficulties:

- Effective recruitment of Yehudi volunteers and Fellowship candidates is crucial for maintaining leadership quality and ensuring programming delivery.

Importance of Core Work:

- The strategic focus on core work (Leadership Programming, Community Engagement, and Yehudi) may need to be re-aligned with effective planning and resource allocation.
- The need for adequate staffing and infrastructure can impact our capacity to support programme delivery and volunteer management.

Community Collaboration:

- The commitment to continue working with schools, synagogues, and community organisations reflects the importance of stakeholder engagement, which is vital for achieving objectives related to Jewish identity and engagement.

d. Fundraising activities and income generation

The charity will continue to secure funding through existing donor relationships as well as branching out to new trusts and foundations. New donor relationships are actively being explored. Notwithstanding the cost of living crisis, conflict in the Middle East and Ukraine, presenting a fundraising challenge, Mizrachi UK plans to run a crowdfunding campaign in December 2024.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

a. Going concern

After making appropriate enquiries the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future following the support provided by the Trustees. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy of the Charity requires a three month reserve. As of 31 December 2022 the reserves were in a deficit. Therefore reliance on the charity being a going concern has been placed on the support of the trustees.

c. Financial position at the year end

During the year, the Charity received donations and other income of £ 897,386 (2022 - £ 739,928). Expenditure in the year totalled £ 1,066,700 (2022 - £ 1,107,916) leaving an in year deficit of £ 169,314 (2022 - £ (367,988)). Reserves at the year end stood at a deficit of £ 337,260 (2022 - £ 167,946). As detailed above, the trustees aim to improve the financial standing of the Charity.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

d. Principal risks and uncertainties

The events of October 7th, coupled with the unprecedented rise in antisemitism, are expected to have a profound and lasting impact on our community. Increased safety and security concerns regarding events and activities may foster feelings of vulnerability and lead to potential withdrawal from community engagement and the array of programming offerings.

As antisemitism rises, community members may find themselves reassessing their Jewish identity. In response, Mizrahi UK must be prepared to foster communal solidarity and provide additional programmes, events and resources to address these challenges, thereby putting further pressure on existing staffing and financial resources. There is a concern that fundraising will be challenging as charitable giving will be diverted to supported Israeli based charities instead of local Jewish charities.

The ongoing difficulties in recruiting high-caliber candidates for the Mizrahi Rabbinical Fellowship may impede effective succession planning, complicating our efforts to prepare future leaders and maintain continuity within the community. Attracting top-tier candidates often requires competitive grant packages, which may be challenging for our charity in the current economic climate. A lack of qualified candidates can diminish the quality of leadership, ultimately affecting the effectiveness of our programmes and initiatives.

As we expand, the need for sufficient staffing and infrastructure to support Yehudi and its volunteers is becoming increasingly essential. Additionally, it is important to streamline volunteering opportunities to facilitate easier connections and encourage ongoing commitment.

In this context, the work Mizrahi UK does in its three core areas—Leadership Programming, Community Engagement, and Yehudi—has never been more essential, despite the dwindling resources available to deliver these vital services.

Mizrahi UK will continue to collaborate with schools, synagogues, and community organisations to strengthen Jewish engagement and identity. By revitalizing grassroots leadership and identifying enterprising and talented young individuals early on, we aim to cultivate a strong pool of passionate and committed future leaders and educators.

e. Financial risk management objectives and policies

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems are in place to protect the charity's assets.

f. Principal funding

The charity is reliant on donations for the funding of the charity. These resources allow the charity to continue its significant plans to give grants to good causes throughout the community, run educational activities and social events surrounding the State of Israel.

Structure, governance and management

a. Constitution

The Charity is a charitable trust formed under a trust deed dated 5th February 2010. It is registered with the Charity Commission of England and Wales, Charity Number 1137199.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The Trustees are involved with governance, major fundraising activities and donor relationships, senior staff appointments, ad hoc matters escalated by the Chief Executive. Day to day running of the charity is delegated to the Chief Executive Officer.

Trustees:

There are 8 Trustees

- D Morris
- S Blumgart
- G Kurland
- M Fruhman
- S Melnick
- M Bauernfreund
- A Harris
- J Silberstein (appointed 8 July 2024)

d. Policies adopted for the induction and training of Trustees

All new Trustees receive specialist training to the role that they hold, provided by existing Trustees. New Trustees are encouraged to review the most recent financial statements to familiarise themselves with the day to day running of the charity.

e. Pay policy for key management personnel

The pay awards are reviewed annually by the Trustees. Pay is normally considered in accordance with similar roles in other comparable organisations.

f. Related party relationships

Mizrachi UK works closely with Mizrachi Worldwide. They facilitate the Rabbinical Fellowship Programme in Israel and assist Mizrachi UK in supporting the delivery of student trips to Israel. There is a shared ethos but they are separate entities.

Relationships with Bnei Akiva Worldwide and Bnei Akiva UK also exist with respect to Mizrachi UK support of their Shlichim Programme. There is a shared ethos but they are separate entities.

g. Financial risk management

The Trustees have assessed the major strategic, business, and operational risks which the charity faces and confirm that systems are in place to protect the charity's assets. The Trustees believe that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

Mizrachi UK is actively fundraising to support the areas of Leadership Programming, Community Engagement and to grow the Yehudi Programme.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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 order of the members of the board of Trustees and signed on their behalf by:

Joel Silberstein

.....
J Silberstein
Trustee

Date: 30/10/2024

MIZRACHI (UK) ISRAEL SUPPORT TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Independent Examiner's Report to the Trustees of Mizrachi (UK) Israel Support Trust ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales., which is one of the listed bodies.

I have completed my examination. I confirm that no matters, other than those fully detailed below, have come to my attention in connection with the examination giving me reasonable 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 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Disclosure Section

We draw attention to the disclosures around going concern in the trustees' report and note 1.2 in the financial statements, which indicate that the funds of the charity do not cover the committed expenditure for the first months of 2024. These events or conditions indicate that the charity is reliant on the support of the trustees in order to remain a going concern.

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *Ian Saunderson*

Dated: 30/10/2024

Ian Saunderson FCA

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from:					
Donations and legacies	2	601,441	18,824	620,265	578,344
Charitable activities	3	277,121	-	277,121	161,584
Total income		878,562	18,824	897,386	739,928
Expenditure on:					
Charitable activities	5	1,057,903	8,797	1,066,700	1,107,916
Total expenditure		1,057,903	8,797	1,066,700	1,107,916
Net movement in funds		(179,341)	10,027	(169,314)	(367,988)
Reconciliation of funds:					
Total funds brought forward		(198,013)	30,067	(167,946)	200,042
Net movement in funds		(179,341)	10,027	(169,314)	(367,988)
Total funds carried forward		(377,354)	40,094	(337,260)	(167,946)

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 29 form part of these financial statements.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
Tangible assets	10	2,727	2,047
		<u>2,727</u>	<u>2,047</u>
Current assets			
Debtors	11	15,029	3,054
Cash at bank and in hand		10,259	72,792
		<u>25,288</u>	<u>75,846</u>
Creditors: amounts falling due within one year	12	(350,470)	(220,893)
Net current liabilities		(325,182)	(145,047)
Total assets less current liabilities		(322,455)	(143,000)
Creditors: amounts falling due after more than one year	13	(14,805)	(24,946)
Total net assets		(337,260)	(167,946)
Charity funds			
Restricted funds	14	40,094	30,067
Unrestricted funds	14	(377,354)	(198,013)
Total funds		(337,260)	(167,946)

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Joel Silberstein

.....
J Silberstein
Trustee

Date: 30/10/2024

The notes on pages 14 to 29 form part of these financial statements.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(100,397)	(121,091)
Purchase of tangible fixed assets	(2,246)	-
Cash flows from financing activities		
Cash inflows from new borrowing	50,000	100,000
Repayments of borrowing	(9,890)	(89,646)
Other non-cash movements	-	(19,479)
Net cash provided by/(used in) financing activities	40,110	(9,125)
Change in cash and cash equivalents in the year	(62,533)	(130,216)
Cash and cash equivalents at the beginning of the year	72,792	203,008
Cash and cash equivalents at the end of the year	10,259	72,792

The notes on pages 14 to 29 form part of these financial statements

MIZRACHI (UK) ISRAEL SUPPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Mizrachi (UK) Israel Support Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

At the balance sheet date of the charity, its net funds did not cover its committed expenditure for the first 3 months of 2024. However, the Trustees have prepared the accounts on a going concern basis, due to a commitment from the Trustees to support the charity.

As such, the trustees consider that the charity is able to continue its activities for a period of at least twelve months from the date of signature of these accounts and the accounts have therefore been prepared on a going concern basis.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Fixtures and fittings	- 33% straight line
Computer equipment	- 33% straight line

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	590,941	-	590,941
Grants	10,500	18,824	29,324
	<u>601,441</u>	<u>18,824</u>	<u>620,265</u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	519,589	-	519,589
Grants	25,000	33,755	58,755
	<u>544,589</u>	<u>33,755</u>	<u>578,344</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Events	-	-
Teaching	177,427	177,427
Educational Programme	96,950	96,950
Book sales	1,744	1,744
Magazine income	1,000	1,000
Total 2023	<u>277,121</u>	<u>277,121</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities - Events	500	500
Events	70,418	70,418
Educational programs	86,547	86,547
Book sales	1,064	1,064
Magazine income	3,055	3,055
<i>Total 2022</i>	<u>161,584</u>	<u>161,584</u>

4. Analysis of grants

	Grants to Individuals 2023 £	Total funds 2023 £
Israel scholarships	<u>110,153</u>	<u>110,153</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Analysis of grants (continued)

	<i>Grants to Individuals 2022 £</i>	<i>Total funds 2022 £</i>
Israel scholarships	128,603	128,603
	<u>128,603</u>	<u>128,603</u>

5. Analysis of expenditure on charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Support costs	202,714	-	202,714
Direct costs	745,036	8,797	753,833
Grants	110,153	-	110,153
	<u>1,057,903</u>	<u>8,797</u>	<u>1,066,700</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Support costs	315,619	-	315,619
Direct costs	650,269	13,425	663,694
Grants	128,603	-	128,603
	<u>1,094,491</u>	<u>13,425</u>	<u>1,107,916</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Events	48,009	1,566	153,139	202,714
Teaching	340,374	-	413,459	753,833
Mizrachi Fellowship Programme Expenses	-	-	110,153	110,153
	<u>388,383</u>	<u>1,566</u>	<u>676,751</u>	<u>1,066,700</u>
	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
Events	76,013	1,796	237,810	315,619
Teaching	338,694	-	325,000	663,694
Mizrachi Fellowship Programme Expenses	-	-	128,603	128,603
	<u>414,707</u>	<u>1,796</u>	<u>691,413</u>	<u>1,107,916</u>

6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Events	-	-	202,714	202,714
Teaching	753,833	-	-	753,833
Mizrachi Fellowship Programme Expenses	-	110,153	-	110,153
	<u>753,833</u>	<u>110,153</u>	<u>202,714</u>	<u>1,066,700</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2022 £</i>	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Events	-	-	315,619	315,619
Teaching	663,694	-	-	663,694
Mizrachi Fellowship Programme Expenses	-	128,603	-	128,603
	<u>663,694</u>	<u>128,603</u>	<u>315,619</u>	<u>1,107,916</u>

Analysis of direct costs

	Advancing of Jewish Religion 2023 £	Total funds 2023 £
Staff costs	340,374	340,374
Educational programme	34,020	34,020
Events	332,876	332,876
Magazine expenses	46,563	46,563
	<u>753,833</u>	<u>753,833</u>

	<i>Advancing of Jewish Religion 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	338,694	338,694
Educational programme	16,259	16,259
Guest speakers and trips	262,482	262,482
Magazine expenses	46,259	46,259
	<u>663,694</u>	<u>663,694</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Advancing of Jewish Religion 2023 £	Total funds 2023 £
Staff costs	48,009	48,009
Depreciation	1,566	1,566
Rent	20,205	20,205
IT Costs	16,424	16,424
Phone charges	4,078	4,078
Bank charges	250	250
General expenses	43,671	43,671
Literature, publishing and printing	79	79
Travel	4,243	4,243
Accounting fees	7,384	7,384
Shaliach expenses	48,939	48,939
Loan interest	253	253
Postage	1,478	1,478
Advertising	3,906	3,906
Staff training	2,229	2,229
	<hr/> 202,714 <hr/>	<hr/> 202,714 <hr/>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Advancing of Jewish Religion 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	76,013	76,013
Depreciation	1,796	1,796
Rent	18,720	18,720
IT Costs	11,362	11,362
Phone charges	2,726	2,726
Bank charges	311	311
General expenses	40,699	40,699
Literature publishing and printing	118	118
Travel	2,677	2,677
Accounting fees	6,182	6,182
Shaliach expenses	126,873	126,873
Loan interest	1,002	1,002
Bad debt	20,813	20,813
Postage	307	307
Advertising	2,122	2,122
Legal expenses	1,715	1,715
Motor vehicle expenses	479	479
Staff training	1,704	1,704
	<u>315,619</u>	<u>315,619</u>

7. Independent examiner's remuneration

	2023 £	2022 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	3,970	3,434
Fees payable to the Charity's independent examiner in respect of:		
All other services not included above	1,872	1,060

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Staff costs

	2023	2022
	£	£
Wages and salaries	327,056	338,486
Social security costs	13,318	23,625
Contribution to defined contribution pension schemes	48,009	52,596
	388,383	414,707

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Employees	14	21

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
From £140,001 to £150,000	1	1

The total amount of employee remuneration benefits received by key management personnel was £190,913 (2022: £192,689).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2023	-	10,211	10,211
Additions	220	2,026	2,246
At 31 December 2023	<u>220</u>	<u>12,237</u>	<u>12,457</u>
Depreciation			
At 1 January 2023	-	8,164	8,164
Charge for the year	73	1,493	1,566
At 31 December 2023	<u>73</u>	<u>9,657</u>	<u>9,730</u>
Net book value			
At 31 December 2023	<u>147</u>	<u>2,580</u>	<u>2,727</u>
At 31 December 2022	<u>-</u>	<u>2,047</u>	<u>2,047</u>

11. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	12,034	465
Other debtors	2,995	2,589
	<u>15,029</u>	<u>3,054</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	10,142	9,891
Other loans	150,000	100,000
Trade creditors	121,152	41,031
Other taxation and social security	53,161	41,652
Other creditors	3,662	4,077
Accruals and deferred income	12,353	24,242
	<u>350,470</u>	<u>220,893</u>

13. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	<u>14,805</u>	<u>24,946</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Balance at 31 December 2023 £
Unrestricted funds				
General funds	(198,013)	878,562	(1,057,903)	(377,354)
Restricted funds				
Chidon Hatanach	3,307	6,324	(8,797)	834
Mizrachi Fellowship Programme	26,760	12,500	-	39,260
	30,067	18,824	(8,797)	40,094
Total of funds	(167,946)	897,386	(1,066,700)	(337,260)

Chidon Hatanach: The aim of Chidon HaTanach is to promote and celebrate Tanach study amongst Jewish youth to both deepen Torah knowledge and strengthen Jewish identity.

Yeshiva & Seminary fundraising campaign: The aim of the fundraising campaign was to assist Yeshivot and Seminaries in Israel offset the increased infrastructure costs associated with operating their programs during the pandemic. These are the educational establishments where our Fellows study.

The Mizrachi Fellowship Programmes creates the next generation of Modern Orthodox Religious Zionist Rabbis and Educators. They are funded through three to five years of study in Israel to obtain the necessary qualifications with the expectation they return to the UK live and work in our communities, partner organisations and schools.

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds				
General Funds - all funds	190,305	706,173	(1,094,491)	(198,013)
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Chidon Hatanach	697	16,035	(13,425)	3,307
Mizrachi Fellowship Programme	9,040	17,720	-	26,760
	<hr/>	<hr/>	<hr/>	<hr/>
	9,737	33,755	(13,425)	30,067
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	<hr/> <hr/> 200,042	<hr/> <hr/> 739,928	<hr/> <hr/> (1,107,916)	<hr/> <hr/> (167,946)

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,727	-	2,727
Current assets	(14,806)	40,094	25,288
Creditors due within one year	(350,470)	-	(350,470)
Creditors due in more than one year	(14,805)	-	(14,805)
	<hr/>	<hr/>	<hr/>
Total	<hr/> <hr/> (377,354)	<hr/> <hr/> 40,094	<hr/> <hr/> (337,260)

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	2,047	-	2,047
Current assets	45,779	30,067	75,846
Creditors due within one year	(220,893)	-	(220,893)
Creditors due in more than one year	(24,946)	-	(24,946)
Total	<u>(198,013)</u>	<u>30,067</u>	<u>(167,946)</u>

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(169,314)</u>	<u>(367,988)</u>
Adjustments for:		
Depreciation charges	1,566	-
Decrease/(increase) in debtors	(11,975)	143,796
Increase in creditors	79,326	59,969
Net cash used in operating activities	<u>(100,397)</u>	<u>(164,223)</u>

17. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	<u>10,259</u>	<u>72,792</u>
Total cash and cash equivalents	<u>10,259</u>	<u>72,792</u>

MIZRACHI (UK) ISRAEL SUPPORT TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Analysis of changes in net debt

	At 1 January 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	72,792	(62,533)	10,259
Debt due within 1 year	(109,891)	(50,251)	(160,142)
Debt due after 1 year	(24,946)	10,141	(14,805)
	(62,045)	(102,643)	(164,688)

19. Related party transactions

Included in other creditors is a balance of £Nil (2022: £505) owed to Rabbi Andrew Shaw, the Chief Executive Officer.

During the year, donations totalling £272,504 (2022: £368,000) were received from the trustees and companies owned by the trustees.

Included in other loans is a balance of £150,000 (2022: £100,000) owed to a trustee.