

REGISTERED COMPANY NUMBER: 07321432 (England and Wales)
REGISTERED CHARITY NUMBER: 1138791

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022
FOR
TALMUD TORAH D'CHASIDEI GUR LIMITED

Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

TALMUD TORAH D'CHASIDEI GUR LIMITED

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for the year ended 31 July 2022

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REPORT OF THE TRUSTEES
for the year ended 31 July 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are as follows:

- a) The advancement of education and training.
- b) The relief of poverty sickness and infirmity.
- c) The provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship, social or economic circumstances or in the interests of social welfare and with the object of improving the condition of life of such individuals.
- d) Such other objects are as for the benefit of the public and are charitable according to the laws of England and Wales.

Public benefit

Talmud Torah D'Chasidei Gur Limited provides public benefit as a charity by providing primary school education for boys that is not restricted to those who can afford the fees as well as through its charitable giving. The aims of the charity for the public benefit are detailed in the 'Objectives and Activities' section of this report and the main activities undertaken in order to carry out the charity's aims for the public benefit are outlined under 'Achievements and Performance' below. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and 'The Advancement of Religion for the Public Benefit' in particular, when reviewing the aims and objectives and in planning the charity's future activities.

REPORT OF THE TRUSTEES
for the year ended 31 July 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The School was founded in 2010 as an independent primary school for boys primarily servicing the local orthodox Jewish community. It is proud of its ethos of instilling in its pupils a value system that helps them flourish in the wider society. The number of pupils registered with the school has been growing steadily year on year and the school is currently oversubscribed and at full capacity. This reflects the growth of the community the school serves and is testament to the success of the school. Measures implemented in the school during the Covid 19 pandemic allowed the school to build its resilience and the school has emerged in a strong position.

Within the principal objective, the charity aims to help pupils acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success, develop as individuals, whilst contributing to the community and develop the foundations on which to build fulfilling lives. Whilst results are easiest measured using academic yardsticks, the senior leadership team uses a range of criteria including parent feedback, pupil participation and informal sessions to assess performance. The trustees and senior leadership teams use the results to build on their success and continue to seek innovative and creative methods to enhance the education of the children both within and outside of formal lessons and have ambitious plans for the future.

The Covid 19 pandemic highlighted the importance of making the physical and mental wellbeing of the student body a priority. Many within the student body are reliant on the daily meals provided by the school, and the trustees have continued to provide regular meals and other assistance to those identified as most vulnerable.

The main source of funding of the charity is the fees received from the parents and funding from the local authorities. This is supplemented by income from the charity's investment property. The trustees recognise that many of the pupils are unable to afford full fees and they are grateful to their donors whose generosity has enabled them to provide substantial bursaries to these pupils.

During the pandemic the charity saw an increase in income as donors rallied in support of the charity. Income levels have thus dropped slightly but remain stable. These funds are expended on the running and upkeep of the school in order to provide the high quality educational service needed to meet the objectives of the charity. Expenditure increased as staff returned to full time work and regular activities resumed.

Grant making policy

As a charity with close links to the local community, the trustees are approached to work together with other charities who assist those faced with increased medical and other expenses. The trustees were able to respond to the applications made to them and provided much needed assistance. The trustees assessed each of the applications made to them and considered their response based on the individual circumstances, the funds available, and the impact of the grant in achieving the charity's goals. Charitable giving is an integral part of the ethos of the charity and where possible pupils are involved in raising money towards these local causes. Where grants are made to charities and other organisations, consideration is given to the operational efficiency and reputation of the recipient charity and the ability of the donation to 'make a difference'.

FINANCIAL REVIEW

Financial position

The financial results for the year to 31 July 2022 are shown in the attached financial statements.

Total income decreased from £1,930,871 to £1,554,704 and total expenditure increased from £1,479,631 to £1,598,064.

There was a net decrease in income of £43,360 with total unrestricted funds carried forward of £720,671 (2021 - £764,031).

REPORT OF THE TRUSTEES
for the year ended 31 July 2022

FINANCIAL REVIEW

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through voluntary income. The trustees consider that the ideal level of reserves as at 31 July 2022 would be three months of core resources expended (i.e. excluding grants) which is approximately £295,000.

The actual free reserves as at 31 July 2022 were £870,106 in deficit which is below our target figure. In calculating the reserves, the trustees have excluded from total funds, fixed assets, related loan obligations and any restricted funds. The trustees are actively pursuing sources of funding in order to ensure that there are sufficient reserves to provide for future financial stability and flexibility to help with the growth of the school.

FUTURE PLANS

Talmud Torah D'Chasidei Gur Limited will continue to expand and develop its activities to provide an excellent standard of education in both religious studies and the national curriculum and to develop the skills students require so that they make a positive contribution to their communities and society. Further opportunities will also be looked at so that grants made to local causes dovetail with topics within the curriculum.

The trustees are keen to upgrade and improve the premises and learning environments used by the students and intend to expand their efforts in this area in the coming years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Talmud Torah D'Chasidei Gur Limited is a company limited by guarantee without share capital, incorporated on 21 July 2010 and registered with the Charity commission on 3 November 2010.

The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

Trustees may be appointed by the existing trustees at any time, either to fill a casual vacancy or as an addition to the existing trustees. Any trustees so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election.

The charity has commenced a programme to recruit additional trustees who have the skills to drive progress in all aspects of the charity's activities and governance procedures. Potential trustees are invited to informally attend trustee meetings prior to appointment and a comprehensive induction programme is available. Additionally individual trustees may undertake external training in a particular area of their role on the Governing Body.

Organisational structure

The board of trustees administers the charity. The board meets regularly. The day to day management of Talmud Torah D'Chasidei Gur is delegated by the trustees to the senior leadership team.

Induction and training of new trustees

The charitable entity strives to ensure equal opportunities and diversity in the employment of staff and trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

REPORT OF THE TRUSTEES
for the year ended 31 July 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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.

The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that the trustees, employees of the school and all those who work or volunteer for the school and work with children must obtain clearance from the Disclosure and Barring Service. The school has developed a safeguarding policy and one of the trustees is responsible for ensuring this policy is adhered to. Safeguarding training is compulsory for all staff.

Fundraising

The charity has a good reputation within the local community and has the support of regular donors who wish to have a part in the charitable activities of the charity. As such, the trustees do not engage professional fundraisers nor do they undertake public collections or cold calls. The charity is committed to the principles set out by the Fundraising Regulator in its Code of Fundraising Practice. When donors are approached, this is done with sensitivity and respect and with regard to their circumstances. The trustees are pleased to report that no complaints were received in the past twelve months in relation to its fundraising activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07321432 (England and Wales)

Registered Charity number

1138791

Registered office

142 Holmleigh Road
London
N16 5PY

Trustees

A Schreiber
I Traube
A Goldman

Auditors

Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Talmud Torah D'Chasidei Gur Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

REPORT OF THE TRUSTEES
for the year ended 31 July 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Raffingers LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 May 2023 and signed on its behalf by:

I Traube - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TALMUD TORAH D'CHASIDEI GUR LIMITED

Opinion

We have audited the financial statements of Talmud Torah D'Chasidei Gur Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TALMUD TORAH D'CHASIDEI GUR LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TALMUD TORAH D'CHASIDEI GUR LIMITED

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Employment Law; Data Protection Legislation; The Code of Fundraising Practice; and Safeguarding Regulations as they affect the direct charitable activities of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary.

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TALMUD TORAH D'CHASIDEI GUR LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Yedidya Zaiden, FCCA (Senior Statutory Auditor)
for and on behalf of Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

31 May 2023

TALMUD TORAH D'CHASIDEI GUR LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 2022

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations	2	162,612	-	162,612	209,719
Charitable activities	4				
Provision of education and relief of poverty		1,229,508	59,024	1,288,532	1,272,363
Investment income	3	103,560	-	103,560	82,002
Other income		-	-	-	366,786
Total		<u>1,495,680</u>	<u>59,024</u>	<u>1,554,704</u>	<u>1,930,870</u>
 EXPENDITURE ON					
Raising funds	5	7,105	-	7,105	3,961
Charitable activities	6				
Provision of education and relief of poverty		<u>1,511,705</u>	<u>59,024</u>	<u>1,570,729</u>	<u>1,475,670</u>
Total		<u>1,518,810</u>	<u>59,024</u>	<u>1,577,834</u>	<u>1,479,631</u>
 NET INCOME/(EXPENDITURE)		(23,130)	-	(23,130)	451,239
 RECONCILIATION OF FUNDS					
Total funds brought forward		764,031	-	764,031	312,792
 TOTAL FUNDS CARRIED FORWARD		<u><u>740,901</u></u>	<u><u>-</u></u>	<u><u>740,901</u></u>	<u><u>764,031</u></u>

The notes form part of these financial statements

TALMUD TORAH D'CHASIDEI GUR LIMITED (REGISTERED NUMBER: 07321432)

BALANCE SHEET

31 July 2022

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	1,957,663	-	1,957,663	1,966,674
CURRENT ASSETS					
Cash at bank		12,943	-	12,943	47,033
CREDITORS					
Amounts falling due within one year	15	(883,049)	-	(883,049)	(873,844)
NET CURRENT ASSETS		<u>(870,106)</u>	<u>-</u>	<u>(870,106)</u>	<u>(826,811)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,087,557	-	1,087,557	1,139,863
CREDITORS					
Amounts falling due after more than one year	16	(346,656)	-	(346,656)	(375,832)
NET ASSETS		<u>740,901</u>	<u>-</u>	<u>740,901</u>	<u>764,031</u>
FUNDS	20				
Unrestricted funds				740,901	764,031
TOTAL FUNDS				<u>740,901</u>	<u>764,031</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 May 2023 and were signed on its behalf by:

I Traube - Trustee

The notes form part of these financial statements

TALMUD TORAH D'CHASIDEI GUR LIMITED

CASH FLOW STATEMENT
for the year ended 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	17,245	72,213
Interest paid		(16,112)	(17,526)
Net cash provided by operating activities		<u>1,133</u>	<u>54,687</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,046)	(3,605)
Interest received		-	2
Net cash used in investing activities		<u>(6,046)</u>	<u>(3,603)</u>
Cash flows from financing activities			
Loan repayments in year		(29,177)	(11,588)
Capital repayments in year		-	(3,825)
Net cash used in financing activities		<u>(29,177)</u>	<u>(15,413)</u>
Change in cash and cash equivalents in the reporting period		<u>(34,090)</u>	<u>35,671</u>
Cash and cash equivalents at the beginning of the reporting period		<u>47,033</u>	<u>11,362</u>
Cash and cash equivalents at the end of the reporting period		<u><u>12,943</u></u>	<u><u>47,033</u></u>

The notes form part of these financial statements

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 July 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(23,130)	451,239
Adjustments for:		
Depreciation charges	15,058	19,980
Interest received	-	(2)
Interest paid	16,112	17,526
Gain on revaluation of asset	-	(366,786)
Increase/(decrease) in creditors	9,205	(49,744)
	<u>17,245</u>	<u>72,213</u>
Net cash provided by operations	<u>17,245</u>	<u>72,213</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.8.21 £	Cash flow £	At 31.7.22 £
Net cash			
Cash at bank	47,033	(34,090)	12,943
	<u>47,033</u>	<u>(34,090)</u>	<u>12,943</u>
Debt			
Finance leases	(11,381)	-	(11,381)
Debts falling due within 1 year	(33,800)	-	(33,800)
Debts falling due after 1 year	(375,832)	29,176	(346,656)
	<u>(421,013)</u>	<u>29,176</u>	<u>(391,837)</u>
Total	<u>(373,980)</u>	<u>(4,914)</u>	<u>(378,894)</u>

The notes form part of these financial statements

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS **for the year ended 31 July 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The key assumptions concerning the future and key sources of estimation of uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- the revaluation of the freehold property; and
- estimation of the useful economic life of buildings, furniture and office equipment, IT equipment.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Grant income

Government grants, including non-monetary grants shall not be recognised until there is reasonable assurance that:

- (a) the entity will comply with the conditions attached to them; and
- (b) the grants will be received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31 July 2022**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 15% on cost
Computer equipment	- 25% on cost

Freehold properties which are held to earn rentals and for capital appreciation are initially measured at cost, including transaction costs. Subsequently, freehold investment properties whose fair value can be measured reliably on an ongoing basis are measured at fair value. Gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise.

Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Cash at bank and in hand

Cash at bank and cash 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.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

2. DONATIONS

	2022	2021
	£	£
Donations	162,612	209,719
	<u>162,612</u>	<u>209,719</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	103,560	82,000
Deposit account interest	-	2
	<u>103,560</u>	<u>82,002</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Grants	Provision of education and relief of poverty	478,351	533,449
Parental contributions	Provision of education and relief of poverty	810,181	738,914
		<u>1,288,532</u>	<u>1,272,363</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
London Borough of Hackney Council	347,167	281,435
London Borough of Haringey Council	23,319	40,532
Community Security Trust	59,024	61,421
JRS grant	29,451	150,061
	<u>458,961</u>	<u>533,449</u>

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising costs	7,105	3,961
	<u>7,105</u>	<u>3,961</u>

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Provision of education and relief of poverty	814,662	420,982	335,085	1,570,729

7. GRANTS PAYABLE

	2022 £	2021 £
Provision of education and relief of poverty	420,982	447,093
Care All Limited	35,850	
Keren Chochmas Shloma Trust	73,600	
Shir Chesed Beis Yisroel	84,800	
Zlotchiv	47,150	
Other grants less than £30,000	176,882	
	420,982	

Grants were paid to charities whose objects are in line with the objects of this charity and include the advancement of education and training, and the relief of poverty.

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Provision of education and relief of poverty	306,973	16,112	12,000	335,085

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	15,057	19,981
Auditors remuneration	12,000	10,875

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	469,889	394,524
Social security costs	6,748	3,187
Other pension costs	1,657	4,664
	<u>478,294</u>	<u>402,375</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Charitable activities	79	86
Administration	7	8
	<u>86</u>	<u>94</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations	209,719	-	209,719
Charitable activities			
Provision of education and relief of poverty	1,210,942	61,421	1,272,363
Investment income	82,002	-	82,002
Other income	366,786	-	366,786
Total	<u>1,869,449</u>	<u>61,421</u>	<u>1,930,870</u>
EXPENDITURE ON			
Raising funds	3,961	-	3,961
Charitable activities			
Provision of education and relief of poverty	1,414,249	61,421	1,475,670
Total	<u>1,418,210</u>	<u>61,421</u>	<u>1,479,631</u>
NET INCOME	451,239	-	451,239

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	19,489	-	19,489
Prior year adjustment	293,303	-	293,303
	<hr/>	<hr/>	<hr/>
As restated	312,792	-	312,792
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>764,031</u>	<u>-</u>	<u>764,031</u>

13. RESTRICTED LIABILITY

The mortgage is secured by way of a fixed and floating charge over the property held by the company.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 August 2021	1,950,000	8,356	91,325
Additions	-	-	6,046
	<hr/>	<hr/>	<hr/>
At 31 July 2022	1,950,000	8,356	97,371
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 August 2021	-	8,356	77,626
Charge for year	-	-	12,082
	<hr/>	<hr/>	<hr/>
At 31 July 2022	-	8,356	89,708
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 July 2022	<u>1,950,000</u>	<u>-</u>	<u>7,663</u>
At 31 July 2021	<u>1,950,000</u>	<u>-</u>	<u>13,699</u>

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

14. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 August 2021	23,500	30,264	2,103,445
Additions	-	-	6,046
At 31 July 2022	23,500	30,264	2,109,491
DEPRECIATION			
At 1 August 2021	20,525	30,264	136,771
Charge for year	2,975	-	15,057
At 31 July 2022	23,500	30,264	151,828
NET BOOK VALUE			
At 31 July 2022	-	-	1,957,663
At 31 July 2021	2,975	-	1,966,674

Included in cost or valuation of land and buildings is freehold land of £1,950,000 (2021 - £1,950,000) which is not depreciated.

Cost or valuation at 31 July 2022 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £
Valuation in 2022	1,950,000	8,356	97,371
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2022	23,500	30,264	2,109,491

If the property had not been revalued it would have been included at the following historical cost:

	2022 £	2021 £
Cost	1,583,214	1,583,214

The property was valued on an open market basis on 31 July 2022 by the trustees.

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 17)	33,800	33,800
Hire purchase (see note 18)	11,381	11,381
Social security and other taxes	6,178	705
Other creditors	808,890	790,583
Accrued expenses	22,800	37,375
	<u>883,049</u>	<u>873,844</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 17)	<u>346,656</u>	<u>375,832</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>33,800</u>	<u>33,800</u>
Amounts falling between one and two years:		
Bank loans	<u>33,800</u>	<u>33,800</u>
Amounts falling due between two and five years:		
Bank loans	<u>312,856</u>	<u>342,032</u>

18. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2022	2021
	£	£
Gross obligations repayable:		
Within one year	<u>8,519</u>	<u>8,519</u>
Finance charges repayable:		
Within one year	<u>(2,862)</u>	<u>(2,862)</u>
Net obligations repayable:		
Within one year	<u>11,381</u>	<u>11,381</u>

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

19. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Bank loans	380,456	409,632

The bank loan is secured over the charity's property.

20. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	764,031	(23,130)	740,901
TOTAL FUNDS	764,031	(23,130)	740,901

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,495,680	(1,518,810)	(23,130)
Restricted funds			
School	59,024	(59,024)	-
TOTAL FUNDS	1,554,704	(1,577,834)	(23,130)

Comparatives for movement in funds

	At 1.8.20 £	Prior year adjustment £	Net movement in funds £	At 31.7.21 £
Unrestricted funds				
General fund	19,489	293,303	451,239	764,031
TOTAL FUNDS	19,489	293,303	451,239	764,031

TALMUD TORAH D'CHASIDEI GUR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,869,449	(1,418,210)	451,239
Restricted funds			
School	61,421	(61,421)	-
TOTAL FUNDS	<u>1,930,870</u>	<u>(1,479,631)</u>	<u>451,239</u>

Restricted funds:

The charity's restricted funds during the year were made up as follows:

Name of fund	Description, nature and purpose of fund
CST grants	Provision and upgrading of security systems.

Unrestricted funds represent funds available to the trustees for the general purposes of the charity.

21. RELATED PARTY DISCLOSURES

Included in other creditors are interest free loans totalling £671,380 due to companies of which one of the trustees of this charity is a director and £30,000 due to one of the trustees.

22. AUDITOR LIABILITY LIMITATION AGREEMENT

The charity has entered into a liability limitation agreement with Raffingers LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 July 2022. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the trustees on 2 August 2022.