

Chazak Limited

(by guarantee)

Company number 07485527

Charity number 1142937

Trustees' Report

And

Financial Statements

For the year ended

31 December 2021

Chazak Limited

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Chazak Limited

Legal and administrative information

Directors / Trustees

M Abadi
Rabbi M Levy – resigned 14 August 2021
Mr J Moradoff (Chairman)
Mr N Hickmet - appointed 16 August 2021

Company Secretary

Rabbi M Levy

Key Management Personnel

Y David

Registered Office

64 Brent Street
London
NW4 2ES

Details of Incorporation

The company was incorporated on 7 January 2011 in England under company registration number 07485527, and was registered with the Charity Commission on 19 July 2011, governed by its memorandum and articles of association, charity number 1142937.

Auditors

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Bankers

National Westminster Bank Plc
5 Central Circus
Hendon Central
London
NW4 3LE

Chazak Limited**Trustees' Report****Trustees' Report**

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their report and the financial statements of Chazak Ltd (the Company) for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015.

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

Structure, Governance and Finance

The company was incorporated on 7 January 2011 as a company limited by guarantee and registered as a charitable company on 19 July 2011. Its objectives are the advancement of education in Jewish religion, culture, history and heritage.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were M Abadi, Rabbi M Levy, J Moradoff and N Hickmet. None of the trustees have any beneficial interest in the company. Up until 31 December 2021 Jewish Futures Trust Limited was the parent company and the only member of Chazak Ltd and was a guarantor to contribute £1 in the event of a winding up. Since that date the Trustees are the Members of the Company with limited liability to contribute £1 each in the event of a winding up of the Company.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The number of trustees shall not be subject to any maximum but shall not be less than two. The appointment and training of a new trustee is subject to the oversight of current trustees.

There are no specific restrictions imposed by the governing document concerning the way the Charity can operate.

Charity's Objectives and Activities

Chazak was established to empower today's younger generation of Jews to connect in a meaningful way to their Jewish heritage. The strengthening of their Jewish identity will help to develop the Jewish community and its leadership for the future. The Charity has a particular focus on drawing inspiration from the rich heritage and history of Sephardic Jewry. The Charity works alongside and in conjunction with existing communities and organisations in the field in order to further inspire young British Jews of Sephardic descent with a pride and commitment to their culture, heritage and continuity.

The Charity has built an excellent working relationship with a variety of Jewish schools in London, providing classes on a daily and weekly basis, as well as educational events at Synagogues, private houses and in social settings.

Chazak was an active member of the Jewish Futures Trust group of charities. Following a review of its plans for the future during 2021 it was resolved and agreed with the JFT trustees to separate from the Group and work as a standalone Charity. Jewish Futures Trust ceased to be the sole member of Chazak Ltd from 1 January 2022.

Chazak Limited

Trustees' 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 Chazak are for the public benefit. With a focus on providing Jewish culture, identity, history and heritage, 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. By sharing with today's generation of Jews an understanding of their roots and history, the Charity aims to instill a sense of moral responsibility and leadership within society as a whole. This will also continue to be central to its future plans.

Achievements and Performance

Chazak, like many charities, was deeply impacted by the Covid-19 pandemic that struck the world in March 2020. It was able, quickly to create a range of online, digital programmes to replace the huge range of social engagements that it had been running up till then.

Subject to the regulations for operating community buildings during Covid-19, Chazak was able to operate its Beis Hamidrash at the Post Office on Brent Street as a significant learning centre for students and Young Professionals. Chazak also continues to run a community centre at 65 Brent Street. This Centre has been used for a range of events, including programmes, classes and activities for schools, students of bar and bar mitzvah age, sixth formers, university students and adult groups.

The main achievements of the Charity in the year under review include, partly digital and in person:

- Teaching weekly classes in Hasmonean Boys' and Girls' School, JFS, Immanuel College and Yavneh College.
- Providing classes and events in a variety of local Synagogues, including Spanish & Portuguese (Lauderdale Rd), Od Yosef Hai, Tiferet Eyal, Anshei Shalom, Porat Yosef, Heichal Leah, and Ohel David.
- Delivering classes to a variety of audiences at private homes across London and where possible at the homes, gardens of the Chazak Rabbinic team.
- Delivering the Chazak Ladies Academy starting with shirium and programmes on Mental Health, Torah and Cooking
- Creating the Chazak Bet Hamidrash on Brampton Grove, with daily prayer services, with classes for participants either before or after prayers.
- Circulation of over 2,000 copies of a new community magazine, Yalla!, read around London.

Taking into account all of the events and classes provided, the Charity is impacting on the lives of approximately 15,500 young and older people every year (approximately 58,000 participations annually) with many of those having daily contact with Chazak's inspirational programmes.

Chazak Limited**Trustees' Report (continued)****Financial Review**

Chazak generated a surplus of £186,488 (2020: surplus of £59,609) during the year. It was able to generate a significant increase in donations and gifts, £945,197 (2020: £562,648) in anticipation of the expansion of programmes in 2021 after severe Covid Lockdown in 2020, £874,324 (2020, £578,476). Its new centre in Los Angeles continued to grow, based on income raised in USA. With the level of reserves brought forward at 1 January 2020 the Trustees have confidence to continue invest in a range of programmes to benefit the community during 2022.

Chazak is supported by a broad spectrum of donors from across the community, ranging from grassroots student-level program participants and alumni to a number of philanthropists who partner with our charity and help encourage our activities.

Most fundraising is done through direct relationships with our partners and through effective communication of the importance of our work to the wider audience of our supporters.

All Chazak expenditure is focused on creating the wide range of successful high quality educational courses and popular, impactful activities that deliver our stated charitable objectives.

Fundraising

Chazak is committed to the highest standards in fundraising. At all times it aims to ensure that its processes and staff are respectful, open, honest and accountable to our supporters and the public.

Chazak is a medium sized charity that principally raises funds from individuals, family trusts and foundations, and companies who have a connection with and support the work of the Charity. Its approach is generally on a personal level, but the Charity also raises funds through community events and activities.

Fundraising approaches made by Chazak are personal and targeted, focussed on those individuals and institutions who have expressed interest in its work. Chazak does not engage in large scale fundraising activities like mass mailings, unsolicited telephone fundraising or door-to-door campaigns.

Chazak has a small fundraising team. The Chief Executive is responsible for the day to day management of fundraising activities. The Trustees provide oversight of fundraising strategy and delivery. The Fundraising Team receive regular training and guidance and aim to adhere to methods of best practise including the Fundraising Regulator's Code of Fundraising Practice.

Under no circumstances does Chazak share personal information of its supporters for the purposes of third party marketing or processing.

There have been no complaints about fundraising activities reported in the year to 31 December 2021, or subsequently.

Chazak has not used third party organisations for its fundraising activities during 2021.

Chazak Limited**Trustees' Report (continued)****Key Risks and Uncertainties**

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. A reduction in donor base could cause cash flow issues; any delayed receipt of pledged donations income could also potentially cause cash flow issues. The major risks facing the Charity are reviewed regularly at management meetings. Regular reviews of cash flow projections and budget forecasts are also undertaken, as well as a continual drive to manage expenditure.

The impact of Covid-19 in 2021

The ongoing COVID-19 crisis has significantly impacted upon the Charity's planned activities and programmes. All activities involving social interaction had to stop in March 2020, but the Charity has been able to move to digital platforms to deliver events and programmes.

Staff were put on furlough and actions taken to reduce costs of operations to limit the drain on resources. The Covid-19 crisis has impacted on the ability of the Charity to raise funds in the normal way, compared to previous years. However supporters have recognised that the Charity has still been able to deliver high quality programmes and remain supportive of its work. Fundraising initiatives are still producing appropriate income for the Charity.

Management and Trustees are monitoring the Charity cost base on a regular basis to ensure that programme, event and educational costs do not exceed foreseeable income. The Management Team are regularly assessing the operational and logistical capabilities and finance consequences to update plans and budgets.

Plans for the Future

The Trustees plan to continue with the current programmes including expanding our Centres of Learning and Ladies On Line courses and to develop further relationships with schools and synagogues.

Having opened an international branch in Los Angeles Chazak has started programmes at a new a branch in New York.

Reserves Policy

Chazak needs free reserves to enable it to fulfil its charitable obligations and commitments that it enters into. The Charity also requires reserves to ensure continuance of these obligations in the eventuality of any unexpected revenue shortfall. At 31 December 2021 free reserves were £387,035 (2020: £224,138). The Trustees aim for the Charity to hold free reserves equal to not less than 3 months of normal running costs , approximately £175,000.

The Trustees are satisfied that the level of Free Reserves is adequate to deliver adjusted programmes and resources. The level of Free Reserves has been reviewed in light of the COVID-19 crisis and found to be appropriate given the nature of the crisis. The Board will continue to review the Charity's reserves and its policy annually; more frequently if circumstances dictate.

Chazak Limited

Trustees' Report (continued)

Trustees' Responsibilities in Relation to the Accounts

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and was approved by the Trustees on 15 August 2022 and signed on their behalf by:



J Moradoff
Trustee

Chazak Limited**Independent Auditor's Report to the Members of Chazak Limited****Opinion**

We have audited the financial statements of Chazak Ltd for the year ended 31 December 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 December 2021 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 Auditor's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

Chazak Limited**Independent Auditor's Report to the Members of Chazak Limited (continued)****Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept; 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 5 and 6, 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.

Auditor's 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 an auditor's report 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.

Chazak Limited**Independent Auditor's Report to the Members of Chazak Ltd (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities SORP (FRS102) 2019 and Companies Act 2006.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the recognition of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on income recognized in the accounts and reviewing accounting estimates for biases.

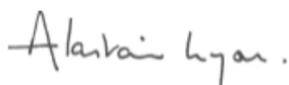
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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 auditor's report.

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 auditor's 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.



Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL
18 August 2022

Chazak Limited

Statement of Financial Activities
for the year ended 31 December 2021

	Note	2021 £	2020 £
Income:			
Donations and legacies		945,197	562,648
Fundraising Telethon		-	-
<i>Income from charitable activities:</i>			
Participant payments		57,212	12,904
Investment income		-	-
Job Retention Scheme Grant income		51,027	49,335
Kick Start grant income		6,522	-
Other income		<u>32,451</u>	<u>18,260</u>
Total income		<u>1,092,409</u>	<u>643,147</u>
Expenditure:			
<i>Raising funds:</i>			
Donor fundraising costs		11,931	5,062
Costs of Fundraising Campaign		19,666	-
<i>Expenditure on charitable activities:</i>			
Charitable activities	4	874,324	578,476
Charitable donations		-	-
Total expenditure		<u>(905,921)</u>	<u>(583,538)</u>
Net (expenditure)/income for the year		<u>186,488</u>	<u>59,609</u>
Reconciliation of funds:			
Total funds brought forward		<u>328,121</u>	<u>268,512</u>
Total funds carried forward		<u><u>514,609</u></u>	<u><u>328,121</u></u>

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

All income and expenditure derives from continuing activities.

The notes on pages 13 to 18 form part of these accounts.

Chazak Limited
Company number: 07485527

Balance Sheet

As at 31 December 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	8	127,573	103,983
Current Assets			
Debtors	6	58,910	60,583
Cash at bank and in hand		<u>364,510</u>	<u>186,848</u>
		423,420	247,431
Creditors: Amounts falling due within one year	7	<u>(36,384)</u>	<u>(23,293)</u>
Net current assets		387,036	224,138
Net assets		<u>514,609</u>	<u>328,121</u>
Funds			
Unrestricted funds	10	<u>514,609</u>	<u>328,121</u>
Total funds		<u>514,609</u>	<u>328,121</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

The accounts were approved on 15 August 2022 and signed on behalf of the board.



Trustee
J Moradoff

The notes on pages 13 to 18 form part of these accounts.

Chazak Limited
Company number: 07485527

Statement of Cash Flows

As at 31 December 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net incoming/(outgoing) resources	186,488	59,609
Depreciation	24,882	20,575
Decrease/(increase) in debtors	1,673	2,524
Increase/(decrease) in creditors	<u>9,111</u>	<u>(4,110)</u>
Net cash/(deficit) provided by operating activities	222,154	78,598
Cash flows from investing activities		
Purchase of Tangible assets	(48,472)	(1,156)
Increase in funds from credit card loans	<u>3,980</u>	<u>(3,804)</u>
Net cash outflows from investing activities	(44,492)	(4,960)
Change in cash and cash equivalents in the year	177,662	73,638
Cash and cash equivalents at the beginning of the year	<u>186,848</u>	<u>113,210</u>
Total cash and cash equivalents at the end of the year	<u>364,510</u>	<u>186,848</u>

Chazak Limited

Notes to the Accounts – 31 December 2021

1. Company information

The principal activity of Chazak Limited is the advancement of Jewish education and culture. The company is registered as a charitable company limited by guarantee (company number: 07485527, Charity number 1142937). It is incorporated and domiciled in the UK. The address of the registered office is 64 Brent Street, London, NW4 2ES.

2. Accounting Policies

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006. The company 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 notes. The principal accounting policies adopted in the preparation of the financial statements are as follows:

b. Expenditure

Cost of fundraising activities are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the delivery of its activities and include both the direct costs and support costs relating to these activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the independent examination fees and costs linked to the strategic management of the Charity.

Support costs have been allocated to the expenditure categories based on the management's estimate of the proportion of time and resources consumed by each of the key activities of the Charity.

c. Income

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

Donations from school partners represent voluntary contributions towards the running costs of the Charity received from schools at which the Charity provides events and classes. Other income includes rental income earned from renting out residential accommodation within its building.

d. Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates to write off the costs of fixed assets, less their estimated residual value, over their expected useful life on the following bases:

Improvements to leasehold property	- 10% straight line on cost
Fixtures and fittings	- 10% straight line on cost
Motor vehicles	- 25% straight line on cost

Additions to tangible fixed assets of less than £1,000 are treated as an expense.

Chazak Limited

Notes to the Accounts – 31 December 2021.

Accounting Policies, continued

e. Liability Recognition

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

f. Government Grants

Grants are accounted for under the performance model as permitted by the Charity SORP. Coronavirus Job Retention Scheme grant income is therefore recognised on a straight line basis over the furlough period for each relevant employee. Income from Kick Start job creation scheme is recognised as grants are received.

g. Financial Instruments

The Charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. Note 13 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and other taxation and social security.

3 Key Judgements and Estimates

In the application of the Charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Having reviewed the financial position the Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern under Covid-19 restrictions and have reasonable expectations that the Charity has adequate resources to continue its changed activities for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Chazak Limited

Notes to the Accounts – 31 December 2021

4 Analysis of expenditure on charitable activities

	Basis of allocation	Charitable activities £	Support costs £	Governance costs £	2021 Total £	2020 Total £
Staff costs	Direct	386,262	34,610	-	420,872	223,772
Programme & trip expenditure	Direct	182,708	-	-	182,708	98,581
Outsource staffing	Direct	62,078	-	-	62,078	90,296
General office	Direct	-	206,987	-	206,987	164,627
Audit Fee	Direct	-	-	1,679	1,679	1,200
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		631,048	241,597	1,679	874,324	578,467
Support costs		241,597	(241,597)		-	-
Governance costs		1,679		(1,679)	-	-
Total charitable activity expenditure		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		874,324	-	-	874,324	578,476

Of the total expenditure, £874,324 was unrestricted (2020: £578,476 (total expenditure)).

5 Analysis of staff costs, trustee remuneration and expenses

	2021 £	2020 £
Salaries and wages	396,059	212,913
Pension costs	3,812	2,213
Social security costs	<u>21,001</u>	<u>8,646</u>
	<hr/>	<hr/>
	420,872	223,772

No trustee received any remuneration, benefits in kind or reimbursement of expenses in the year (2020: £nil).

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

	2021	2020
Education	5	5
Support	2	2

Total remuneration paid to key management personnel was £82,829 (2020: £69,878). All Trustees are included as key personnel. No employee received salaries at a rate of more than £60,000 per annum.

6 Debtors

	2021 £	2020 £
Trade Debtors	-	-
Amounts owed by sister charities	-	-
Prepayments and other debtors	<u>58,910</u>	<u>60,583</u>
	<hr/>	<hr/>
	58,910	60,583

Chazak Limited

Notes to the Accounts – 31 December 2021

7 Creditors:	Amounts falling due within one year	2021 £	2020 £
	Trade creditors	12,803	10,880
	Bank Credit Cards owed	5,484	1,504
	Amounts owed to sister charities	-	5,093
	Other Creditors	1,526	441
	Taxation and social security	13,121	1,925
	Accruals and deferred income	<u>3,450</u>	<u>3,450</u>
		<u>36,384</u>	<u>23,293</u>

8 Tangible fixed assets

	Leasehold Improvements £	Fixtures & Fittings £	Motor Vehicle £	Total £
COST				
At 1 January 2021	173,514	44,083	-	217,597
Additions	<u>42,972</u>	-	<u>5,500</u>	<u>48,472</u>
At 31 December 2021	<u>216,486</u>	<u>44,083</u>	<u>5,500</u>	<u>266,069</u>
DEPRECIATION				
At 1 January 2021	95,052	18,562	-	113,614
Charge for the year	<u>21,314</u>	<u>3,224</u>	<u>344</u>	<u>24,882</u>
At 31 December 2021	116,366	21,786	344	138,496
NET BOOK VALUE				
At 31 December 2021	<u>100,120</u>	<u>22,297</u>	<u>5,156</u>	<u>127,573</u>
At 31 December 2020	<u>78,462</u>	<u>25,521</u>	-	<u>103,983</u>

9 Capital commitments

Amounts contracted for, but not provided in the accounts, amount to £nil (2020 £nil).

10 Statement of Funds

	1 Jan 2021 £	Income £	Expenditure £	Transfers £	31 Dec 2021 £
Unrestricted Funds					
General funds	328,121	1,092,409	905,921	-	514,609

Unrestricted funds represent funds available to the Trustees for the general purposes of the Charity.

Chazak Limited

Notes to the Accounts – 31 December 2021

11 Operating lease commitments

The following annual commitments existed in respect of non-cancellable operating leases:

	2021 £	2020 £
Leases expiring:		
In less than one year	119,475	57,275
Between one and five years	52,500	87,500
Greater than five years	-	-
	<u>171,975</u>	<u>144,775</u>

12 Related Party Transactions

Jewish Futures Trust Ltd was the sole member of Chazak up to 31 December 2021.

Since 1 September 2016 Chazak has made regular contributions to it for the provision of central costs and overheads of running a central office for Chazak and sister charities. Amounts charged by Jewish Futures Trust for 2021 were £46,681 (2020: £52,880). Jewish Futures Trust made donations to Chazak during the year of £45,000 (2020: £51,000). Chazak set up a Beis Hamidrash in a property leased by Jewish Futures Trust and paid rent for the office of £16,200 (2020: £21,600). At the year end Chazak owed Jewish Futures Trust £nil (2020: Chazak owed Jewish Futures Trust £nil).

Aish Hatorah UK Ltd is a subsidiary of Jewish Futures Trust, the sole member of Chazak up to 31 December 2021. Chazak originally began as a project of Aish Hatorah. Although Chazak now operates as a fully separate organisation, Aish Hatorah has continued to support the Charity providing ongoing advice. In acknowledgement of this support, Chazak has made payments to Aish Hatorah during the year totalling £62,079 (2020: £90,296). These payments are included within Charitable activities in note 4. At the year end, Chazak owed £nil (2020: £5,093) to Aish Hatorah.

Jroots Ltd is a subsidiary of Jewish Futures Trust Ltd, the sole member of Chazak. Because of Covid-19 Chazak did not run any trips through Jroots during the year which meant that Jroots incurred £nil costs on behalf of Chazak (2020: £nil). At the year end Jroots and Chazak had no balances outstanding.

JFT-Jewish Futures Foundation Inc is a Charity in the USA which has a common trustee with Jewish Futures Trust Ltd. During the year, the Company received donations from JFT Jewish Futures Foundation Inc totalling £18,602 (2020: £17,473).

At the year end, JFT-Jewish Futures Foundation Inc owed the Company £12,143 (2020: £33,019).

Chazak Limited

Notes to the Accounts – 31 December 2021

13 Financial Instruments

	2021 £	2020 £
Financial assets measured at amortised cost	415,341	241,818
Financial liabilities measured at amortised cost	36,384	23,293
	=====	=====

Financial assets measured at amortised cost include trade debtors, amount owed by group undertakings, other debtors and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals excluding deferred income.

14 Ultimate Parent undertaking and controlling party

Up to 31 December 2021, The Company was a 100% subsidiary of Jewish Futures Trust Limited, a limited liability company, registered number 07884678 and a registered charity number 1151066. Jewish Futures Trust is involved in public education and cultural activities.

Up to 31 December 2021, The Trustees regarded Jewish Futures Trust Limited as the immediate and ultimate parent company. Jewish Futures Trust has prepared consolidated annual accounts, including the results of the Company.

A copy of the consolidated accounts can be obtained from the JFT head office at 379 Hendon Way, London NW4 3LP.