

The Shai Fund
Unaudited Financial Statements
30 November 2021

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

The Shai Fund

Financial Statements

Year ended 30 November 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	4
Statement of financial activities	5
Statement of financial position	6
Notes to the financial statements	7

The Shai Fund

Trustees' Annual Report

Year ended 30 November 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 November 2021.

Reference and administrative details

Registered charity name	The Shai Fund
Charity registration number	1154663
Principal office	125a Leicester Road Salford M7 4HJ

The trustees

M Halpern
C M Rose
J Wolf

Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
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Structure, governance and management

The Shai Fund is constituted under a deed dated 11 February 2013. It is a registered charity with a charity number being 1154663 and it was registered on the 20 November 2013.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mr J Friedman on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The Shai Fund

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

Objectives and activities

The objects of the charity are:

- (i) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations, particularly but not exclusively, in the Greater Manchester area that provide education.
- (ii) The prevention or relief of poverty or financial hardship, particularly but not exclusively, in the Greater Manchester area by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship.
- (iii) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity receives donations and sends grants to institutions, people or projects that the trustees feel are appropriate.

There were no grants paid out this year.

Achievements and performance

The charity received £53,172 in donations during the year. Including in donations is £52,540 relating to the donation of shares to the charity that were sold shortly thereafter.

The charity had investment income amounting to £632 during the year.

The charity has low governance costs, the only costs being professional fees and support costs incurred during the year.

The trustees would like to record their appreciation to Mr Friedman for the use of his office and administration support provided free of charge during the year.

There were no investments made during the year.

There were no material fundraising costs during the year.

The charity was successful in its aims of relief of personal hardship by advancement of loans, grants and support to assist people to establish a livelihood through loans of less than three years duration. At the year end the balance owing to the charity by way of interest free loans extended was £211,593.

There was an overall net income and net movement in funds for the year amounting to £51,879.

The Shai Fund

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

Financial review

The trustees feel that the increase activity and surplus reflects the increased profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The trustees wish to keep reserves as low as possible in order to maximise paying out of grants.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve practical for donations which are seasonal.

The free reserves, represented by the net current assets of the charity stand at £269,250, all of which are unrestricted.

Coronavirus

The charity has not been materially affected by the coronavirus.

The trustees' annual report was approved on 16 September 2022 and signed on behalf of the board of trustees by:

M Halpern

Trustee

The Shai Fund

Independent Examiner's Report to the Trustees of The Shai Fund

Year ended 30 November 2021

I report to the trustees on my examination of the financial statements of The Shai Fund ('the charity') for the year ended 30 November 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me 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 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

16 September 2022

The Shai Fund

Statement of Financial Activities

Year ended 30 November 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	52,540	52,540
Investment income	5	632	632
Total income		<u>53,172</u>	<u>53,172</u>
Expenditure			
Expenditure on charitable activities	6,7	1,293	1,293
Total expenditure		<u>1,293</u>	<u>1,293</u>
Net income and net movement in funds		<u>51,879</u>	<u>51,879</u>
Reconciliation of funds			
Total funds brought forward		217,371	217,371
Total funds carried forward		<u>269,250</u>	<u>269,250</u>

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

The notes on pages 7 to 13 form part of these financial statements.

The Shai Fund

Statement of Financial Position

30 November 2021

	Note	2021 £	£	2020 £
Current assets				
Debtors	13	211,593		187,916
Cash at bank and in hand		<u>66,357</u>		<u>30,295</u>
		277,950		218,211
Creditors: amounts falling due within one year	14	<u>8,700</u>		<u>840</u>
Net current assets			<u>269,250</u>	<u>217,371</u>
Total assets less current liabilities			<u>269,250</u>	<u>217,371</u>
Net assets			<u><u>269,250</u></u>	<u><u>217,371</u></u>
Funds of the charity				
Unrestricted funds			<u>269,250</u>	<u>217,371</u>
Total charity funds	15		<u><u>269,250</u></u>	<u><u>217,371</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 16 September 2022, and are signed on behalf of the board by:

M Halpern
Trustee

The notes on pages 7 to 13 form part of these financial statements.

The Shai Fund

Notes to the Financial Statements

Year ended 30 November 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 125a Leicester Road, Salford, M7 4HJ.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	52,540	52,540	24,877	24,877

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	632	632	—	—

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

6. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Support costs	<u>1,293</u>	<u>1,293</u>	<u>840</u>	<u>840</u>

7. Expenditure on charitable activities by activity type

	Support costs	Total funds 2021	Total fund 2020
	£	£	£
Charitable activities	93	93	–
Governance costs	<u>1,200</u>	<u>1,200</u>	<u>840</u>
	<u>1,293</u>	<u>1,293</u>	<u>840</u>

8. Analysis of support costs

	Analysis of support costs	Total 2021	Total 2020
	£	£	£
General office	93	93	–
Governance costs	<u>1,200</u>	<u>1,200</u>	<u>840</u>
	<u>1,293</u>	<u>1,293</u>	<u>840</u>

9. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>–</u>

10. Staff costs

No employee received employee benefits of more than £60,000 during the year (2018: Nil)

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

12. Investments

	Listed investments £
Cost or valuation	
At 1 December 2020	–
Additions	52,540
Disposals	(52,540)
	<u>–</u>
At 30 November 2021	<u>–</u>
Impairment	
At 1 December 2020 and 30 November 2021	
Carrying amount	
At 30 November 2021	–
	<u>–</u>
At 30 November 2020	<u>–</u>

All investments shown above are held at valuation.

Financial assets held at fair value

The listed investments were donated to the charity and subsequently sold during the year as detailed above.

13. Debtors

	2021 £	2020 £
Other debtors	211,593	187,916
	<u>211,593</u>	<u>187,916</u>

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,200	840
Other creditors	7,500	–
	<u>8,700</u>	<u>840</u>

The Shai Fund

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

15. Analysis of charitable funds

Unrestricted funds

	At 01 Dec 2020 £	Income £	Expenditure £	At 30 Nov 2021 £
General funds	<u>217,371</u>	<u>53,172</u>	<u>(1,293)</u>	<u>269,250</u>
	At 01 Dec 2019 £	Income £	Expenditure £	At 30 Nov 2020 £
General funds	<u>193,334</u>	<u>24,877</u>	<u>(840)</u>	<u>217,371</u>

16. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Current assets	277,950	277,950
Creditors less than 1 year	(8,700)	(8,700)
Net assets	<u>269,250</u>	<u>269,250</u>
	Unrestricted Funds £	Total Funds 2020 £
Current assets	218,211	218,211
Creditors less than 1 year	(840)	(840)
Net assets	<u>217,371</u>	<u>217,371</u>

17. Taxation

The Shai Fund is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.