

Charity Registration No. 1163584

**JUSTIFI UK**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

# JUSTIFI UK

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr J Fraser  
Mr D Cowland  
Mrs J Cowland

### Charity number

1163584

### Registered office

41 Canons Drive  
Edgware  
HA8 7RB

### Independent Examiner

Danan Sarzin  
Chartered Accountants  
International House  
24 Holborn Viaduct  
London EC1A 2BN

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## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 28 FEBRUARY 2021**

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The trustees present their report and financial statements for the year ended 28 February 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document and "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)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

The purpose of the charity is to advance the Jewish religion for the benefit of the public, in particular by raising awareness and understanding of the religious belief and practice of tikkun (improving or repairing the world) and putting it into practice.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Our trustees serve as volunteers and empower the activities of the charity.

#### **Achievements and performance**

This year was our third active fiscal year. During the year, we were forced to cease travel programs due to the global outbreak of Coronavirus. In lieu of these immersive travel programs, we pivoted to virtual programming including social justice webinars and educational sessions for our alumni and community members.

The total incoming donations received was £52,376 (2020: £53,820). Program income totaled £14,739 (2020: £214,889).

All of this was achieved with a bare minimum of investment in fundraising and operations, and an extremely small expense to the taxpayer in terms of Gift Aid.

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 28 FEBRUARY 2021**

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#### **Financial review**

We generally reserve a small amount of funds (£8,000) to cover unanticipated expenses, but because we spend less than 6% of revenue on overhead and have no commitments to third parties or to donors, we feel confident that this amount of funds will suffice. The charity reports a deficit of £18,955 (2020: surplus £14,690). Notwithstanding, our immediately available cash reserves are £15,474 as at the balance sheet date and the executive director will not be recalling his entire loan in the immediate future.

In the upcoming reporting period, we anticipate a positive net cash flow of individual donations, as well as substantial support from charitable foundations.

#### **Plans for future periods**

In the upcoming year we plan to largely continue performing the same activities as in previous years, and will assess the implications of Covid on our activities and anticipated revenue. Past experiences have taught us what activities work best in terms of raising funds and in terms of charitable impact, and we will continue in the same direction of activity in order to continue to see the same success as we experienced this year. During the coming year we project a similar number of trips as compared to pre-pandemic terms, but an approximate 10% increase in participants. This is due to increased engagement which yields a more efficient use of funds and enhanced charitable impact.

#### **Structure, governance and management**

The charity is governed by its Articles of Association dated March 1, 2015. The trustees, are appointed in accordance with the charity's constitution.

We recruit new trustees out of a pool of trusted confidants and outstanding business leaders. Our trustees serve as volunteers and collectively make decisions.

All major risks have been reviewed and systems or procedures have been established to manage those risks. The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Fraser  
Mr D Cowland  
Mrs J Cowland

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 28 FEBRUARY 2021**

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#### **Statement of trustees' responsibilities**

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

This requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements 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 disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities SORP. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees

.....  
**Mr. J Fraser**  
Trustee  
Dated: .....

.....  
**Mr. D Cowland**  
Trustee  
Dated:.....

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF JUSTIFI UK**

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**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

**Basis of Independent Examiner's Statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jonathan Danan FCA  
Danan Sarzin  
International House  
24 Holborn Viaduct  
London  
EC1A 2BN

16 November 2021

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

		Unrestricted funds	Unrestricted funds
	Notes	2021 £	2020 £
<b><u>Income from:</u></b>			
Donations		52,376	53,820
Program Income		14,739	214,889
<b>Total incoming resources</b>		67,115	268,709
<b><u>Expenditure on:</u></b>			
Charitable activities	2	72,046	232,277
Costs of generating funds	3	5,500	23,232
Support and governance costs	4	8,524	10,203
<b>Total resources expended</b>		86,070	265,712
<b>Net movement in funds carried forward</b>		(18,955)	2,997

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Intangible Assets	7	68,524	68,524
<b>Current assets</b>			
Cash at bank and in hand		15,474	51,997
Creditors: amounts falling due within one year	8	(88,263)	(105,831)
<b>Net assets</b>		(14,265)	14,690
<b>Income funds</b>			
Unrestricted funds brought forward		14,690	11,693
Net movement in funds for the year		(18,955)	2,997
<b>Total Funds</b>		(4,265)	14,690

The charity is exempt from Audit under the SORP regulations and the trustees have not required the charity to obtain an audit of its financial statements

The financial statements were approved by the Trustees on .....

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Mr J Fraser

Trustee

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Mr D Cowland

Trustee

**Charity Number 1163584**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2020**

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### **1 Accounting policies**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS102) issued on 16 February 2014 (as updated through Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102. The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

#### **Charity information**

Justifi UK is a Charitable Incorporated Organisation (CIO).

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102. The functional currency of the charity is USD and for the purposes of preparing financial statements have been converted to GBP at prevailing rates. The financial statements have been prepared under the historical cost convention and using accrual accounting. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

#### **1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### **1.5 Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 28 FEBRUARY 2020**

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**Accounting policies (Continued)**

**1.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

**1.8 Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.9 Intangible fixed assets**

Intangible fixed assets (including purchased goodwill and patents) are included at cost less accumulated amortisation.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2020**

<b>2 Charitable activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	21,654	8,787
Programs and Trips	2,046	145,393
Human resources	48,349	78,097
	<hr/>	<hr/>
	72,046	232,277
	<hr/>	<hr/>

<b>3 Costs of generating funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Marketing and fundraising	1,297	16,760
Human resources	4,203	6,472
	<hr/>	<hr/>
	5,500	23,232
	<hr/>	<hr/>

<b>4 Support and Governance</b>	<b><u>Support</u></b>	<b><u>Governance</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b><u>costs</u></b>	<b><u>costs</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>		
Independent Examiner	-	2,045	2,045	1,964
Bookkeeper's fees	4,970	-	4,970	5,722
Internet and Telephone	378	-	378	728
Office and Sundry Expenses	6,353	-	6,353	2,917
Bank charges	-	-	-	98
Foreign Currency conversions	(5,222)	-	(5,222)	(1,226)
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	6,479	2,045	8,524	10,203
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2020**

5 Staff costs	2021 £	2020 £
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The aggregate payroll costs were as follows:

Wages and salaries	52,552	84,569
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**6 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Intangible fixed assets	Purchased Goodwill £
<b>Cost</b>	
At 1 March 2020	-
Additions	68,524
At 28 February 2021	68,524
<b>Amortisation</b>	
At 1 March 2020	-
At 28 February 2021	-
	-
<b>Net book value</b>	
At 28 February 2021	68,524

Purchased goodwill represents amounts due to Mr. Jamie Cowland, the executive director. These amounts are accumulated surplus expenses incurred by the executive director on behalf of the charity prior to its establishment as a registered charity in its first years of activity. Upon its inception, the charity took upon itself the liability to the director in exchange for ownership of the Charity's goodwill including its valuable contact list and brand.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2020**

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<b>8 Creditors - Amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income	-	11,777
Accruals	1,136	1,210
Executive director	87,127	92,843
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	88,263	105,830
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