

Charity Registration No. 1163584

JUSTIFI UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

JUSTIFI UK

LEGAL AND ADMINISTRATIVE INFORMATION

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

CONTENTS

	Page
Trustees' report	1 - 3
Examiner's Report	4
Statement of financial activities	5
Statement of financial position	6
Notes to the financial statements	7 - 11

TRUSTEES' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2022

The trustees present their report and financial statements for the year ended 28 February 2022.

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 £2,863 (2021: £53,376). Program income totaled £254,395 (2021: £14,739).

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 2022

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 surplus of £32,661 (2021: deficit of £18,955). Our immediately available cash reserves are £35,204 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 2022

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

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

December 2022

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2022**

		Unrestricted funds	Unrestricted funds
		2022	2021
	Notes	£	£
<u>Income from:</u>			
Donations		2,863	52,376
Program Income		254,395	14,739
Total incoming resources		257,258	67,115
<u>Expenditure on:</u>			
Charitable activities	2	203,642	72,046
Costs of generating funds	3	11,358	5,500
Support and governance costs	4	23,302	8,524
Total resources expended		238,302	86,070
Net movement in funds carried forward		18,956	(18,955)

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

All income and expenditure derive from continuing activities.

	Notes	2022 £	2021 £
Fixed assets			
Intangible Assets	7	54,819	68,524
Current assets			
Cash at bank and in hand		35,204	15,474
Creditors: amounts falling due within one year	8	(75,332)	(88,263)
Net assets		14,691	(4,265)
Income funds			
Unrestricted funds brought forward		(4,265)	14,690
Net movement in funds for the year		18,956	(18,955)
Total Funds		14,691	(4,265)

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

.....

Mr J Fraser

Trustee

.....

Mr D Cowland

Trustee

Charity Number 1163584

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

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 2021

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. These are amortised straight line over 5 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

2 Charitable activities	2022	2021
	£	£
Donations	18,972	21,654
Professional therapy	3,287	-
Programs and trips	91,156	2,046
Human resources	90,227	48,349
	<hr/>	<hr/>
	203,642	72,046
	<hr/>	<hr/>

3 Costs of generating funds	2022	2021
	£	£
Program marketing and fundraising	1,983	1,297
Human resources	9,375	4,203
	<hr/>	<hr/>
	11,358	5,500
	<hr/>	<hr/>

4 Support and Governance	<u>Support</u>	<u>Governance</u>	<u>2022</u>	<u>2021</u>
	<u>costs</u>	<u>costs</u>	<u>£</u>	<u>£</u>
	<u>£</u>	<u>£</u>		
Independent Examiner	-	1,805	1,805	2,045
Bookkeeper's fees	5,778	-	5,778	4,970
Amortisation of goodwill	13,705	-	13,705	-
Internet and Telephone	269	-	269	378
Office and Sundry Expenses	1,712	-	1,712	6,353
Foreign Currency conversions	33	-	33	(5,222)
	<hr/>	<hr/>	<hr/>	<hr/>
	21,497	1,805	23,302	8,524
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

5 Staff costs	2022 £	2021 £
---------------	-----------	-----------

The aggregate payroll costs were as follows:

Wages and salaries	99,602	52,552
	99,602	52,552

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 £
Cost	
At 1 March 2021	68,524
	68,524
At 28 February 2020	68,524
	68,524
Amortisation	
At 1 March 2021	-
Charge for the year	13,705
	13,705
At 28 February 2022	13,705
	13,705
Net book value	
At 28 February 2022	54,819

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, as per the discussion at the 2019 Board Meeting.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

8 Creditors - Amounts falling due within one year	2022	2021
	£	£
Accruals	1,136	1,136
Executive director	74,196	87,127
	<hr/>	<hr/>
	75,332	88,263
	<hr/> <hr/>	<hr/> <hr/>