

Charity Registration No. 1163584

JUSTIFI UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

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

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TRUSTEES' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2023

The trustees present their report and financial statements for the year ended 28 February 2023.

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 fourth active fiscal year. During the year, we experienced significant programmatic growth from the previous year and benefited from post-COVID travel demand. In addition, we expanded into new programming for teens and leveraged existing pre-COVID relationships with Jewish organisations to provide further programming for them

The total incoming donations received was £1,260 (2022: £2,863). Program income totaled £780,150 (2022: £254,395).

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 2023

Financial review

The charity maintains reserves to cover three months' fixed overhead costs, which during the year under review was comfortably satisfied. The charity reports a deficit of £20,082 (2022: surplus of £18,956), though most of this is made up of non-cash charges, namely amortization and unrealised gains/losses on restated currency balances. Our immediately available cash reserves are £38,116 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 2023

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 2023

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2023**

		Unrestricted funds	Unrestricted funds
		2023	2022
	Notes	£	£
<u>Income from:</u>			
Donations		1,260	2,863
Program Income		780,150	254,395
Total incoming resources		781,410	257,258
<u>Expenditure on:</u>			
Charitable activities	2	747,015	203,642
Costs of generating funds	3	22,920	11,358
Support and governance costs	4	31,857	23,302
Total resources expended		801,792	238,302
Net movement in funds carried forward		(20,382)	18,956

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

All income and expenditure derive from continuing activities.

	Notes	2023 £	2022 £
Fixed assets			
Intangible Assets	7	40,685	54,819
Current assets			
Cash at bank and in hand		38,116	35,204
Creditors: amounts falling due within one year	8	(84,492)	(75,332)
Net assets		(5,691)	14,691
Income funds			
Unrestricted funds brought forward		14,691	(4,265)
Net movement in funds for the year		(20,382)	18,956
Total Funds		(5,691)	14,691

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

.....
Mr D Cowland
Trustee

Charity Number 1163584

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

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	2023	2022
	£	£
Donations	56,274	18,972
Professional therapy	-	3,287
Programs and trips	564,547	91,156
Human resources	126,194	90,227
	<hr/>	<hr/>
	747,015	203,642
	<hr/>	<hr/>

3 Costs of generating funds	2023	2022
	£	£
Program marketing and fundraising	10,059	1,983
Human resources	12,861	9,375
	<hr/>	<hr/>
	22,920	11,358
	<hr/>	<hr/>

4 Support and Governance	<u>Support</u>	<u>Governance</u>	<u>2023</u>	<u>2022</u>
	<u>costs</u>	<u>costs</u>	<u>£</u>	<u>£</u>
	£	£		
Independent Examiner	-	2,763	2,763	1,805
Bookkeeper's fees	5,616	-	5,616	5,778
Amortisation of goodwill	13,705	-	13,705	13,705
Internet and Telephone	324	-	324	269
Office and Sundry Expenses	1,678	-	1,678	1,712
Foreign Currency conversions	7,771	-	7,771	33
	<hr/>	<hr/>	<hr/>	<hr/>
	29,094	2,763	31,857	23,302
	<hr/>	<hr/>	<hr/>	<hr/>

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

5 Staff costs

2023

£

2022

£

The aggregate payroll costs were as follows:

Wages and salaries

139,055

99,602

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 2022

68,525

At 28 February 2020

68,525

Amortisation

At 1 March 2022

13,705

Charge for the year

14,135

At 28 February 2023

27,840

Net book value

At 28 February 2023

40,685

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. The goodwill is being amortised over five years on the value of the base amount in its original currency and translated into GBP at the average rate for the year. Request for repayment of this liability to the executive director shall require written notification to the Trustees not less than six months prior to the repayment with the intent to begin payback in 2028.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)¹⁰
FOR THE YEAR ENDED 28 FEBRUARY 2021

8 Creditors - Amounts falling due within one year	2023	2022
	£	£
Accruals	1,917	1,136
Executive director	82,575	74,196
	<hr/>	<hr/>
	84,492	75,332
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