

Tzidkas Yosef
Unaudited Financial Statements
31 August 2022

HAFFNER HOFF LTD

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

Tzidkas Yosef

Financial Statements

Year ended 31 August 2022

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Tzidkas Yosef

Trustees' Annual Report

Year ended 31 August 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 August 2022.

Reference and administrative details

| | |
|------------------------------------|---|
| Registered charity name | Tzidkas Yosef |
| Charity registration number | 1170278 |
| Principal office | MMR Group Broadhurst House Bury Old Road Salford M7 4QX |

The trustees

J Feldman
M Scher
S Sussman

| | |
|-----------------------------|--|
| Independent examiner | D Schwarz FCCA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL |
|-----------------------------|--|

Structure, governance and management

Tzidkas Yosef is a charitable trust constituted by a Deed of Trust dated 28 August 2016 and is a registered charity, number 1170278.

The Charity is run by the trustees who all act in an honorary capacity. A new trustee would receive copies of the previous years' Annual Report and Accounts and a copy of the Charity Commission leaflet 'The Essential Trustee : What you need to know'.

Tzidkas Yosef

Trustees' Annual Report *(continued)*

Year ended 31 August 2022

Objectives and activities

To promote advance and provide strictly orthodox Jewish education anywhere in the world and to generally further promote all activities in connection therewith. To promote and advance religion anywhere in the world in accordance with the doctrines and principles of orthodox Judaism. To promote the relief of poverty amongst persons of the Jewish faith. To further such other charitable purposes which the trustees may determine are connected with the above objects.

Public Benefit Policy

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Grant Making Policy

Grants are made to charitable institutions and organisations which accord with the objects of the charity.

Achievements and performance

During the year the charity made donations totalling £773,076 in furtherance of its objectives.

During a previous year the charity received an interest free loan for over £1.6 Million and extended a loan £1.3 Million to a Limited Company registered in the UK at an interest rate of 6% per annum. The interest of £105,397 is included in the Statement of Financial Activities.

Financial review

As at 31 August 2022 unrestricted reserves being the net current assets of the charity stood at £150,620 (2021: £224,415).

Reserves Policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

It is the policy of the charity to send grants to beneficiaries regularly, as and when donations are received, and therefore the charity would normally not hold any substantial reserves.

The trustees' annual report was approved on 15 June 2023 and signed on behalf of the board of trustees by:

M Scher
Trustee

Tzidkas Yosef

Independent Examiner's Report to the Trustees of Tzidkas Yosef

Year ended 31 August 2022

I report to the trustees on my examination of the financial statements of Tzidkas Yosef ('the charity') for the year ended 31 August 2022.

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.

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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.

D Schwarz FCCA
Independent Examiner

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

Tzidkas Yosef

Statement of Financial Activities

Year ended 31 August 2022

| | | 2022 | | 2021 |
|---|------|-----------------|-----------------|----------------|
| | | Unrestricted | Total funds | Total funds |
| | Note | funds | £ | £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 602,605 | 602,605 | 640,773 |
| Other income | 5 | 105,397 | 105,397 | 96,681 |
| Total income | | <u>708,002</u> | <u>708,002</u> | <u>737,454</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of raising donations and legacies | 6 | 4,647 | 4,647 | – |
| Expenditure on charitable activities | 7,8 | 777,150 | 777,150 | 519,313 |
| Total expenditure | | <u>781,797</u> | <u>781,797</u> | <u>519,313</u> |
| Net (expenditure)/income and net movement in funds | | <u>(73,795)</u> | <u>(73,795)</u> | <u>218,141</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 224,415 | 224,415 | 6,274 |
| Total funds carried forward | | <u>150,620</u> | <u>150,620</u> | <u>224,415</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 12 form part of these financial statements.

Tzidkas Yosef

Statement of Financial Position

31 August 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-----------------------|-----------------------|
| Current assets | | | |
| Debtors | 15 | 1,751,154 | 1,699,691 |
| Cash at bank and in hand | | <u>7,322</u> | <u>249,735</u> |
| | | 1,758,476 | 1,949,426 |
| Creditors: amounts falling due within one year | 16 | <u>1,607,856</u> | <u>1,725,011</u> |
| Net current assets | | <u>150,620</u> | <u>224,415</u> |
| Total assets less current liabilities | | <u>150,620</u> | <u>224,415</u> |
| Net assets | | <u><u>150,620</u></u> | <u><u>224,415</u></u> |
| Funds of the charity | | | |
| Unrestricted funds | | <u>150,620</u> | <u>224,415</u> |
| Total charity funds | 17 | <u><u>150,620</u></u> | <u><u>224,415</u></u> |

These financial statements were approved by the board of trustees and authorised for issue on 15 June 2023, and are signed on behalf of the board by:

M Scher
Trustee

The notes on pages 7 to 12 form part of these financial statements.

Tzidkas Yosef

Statement of Cash Flows

Year ended 31 August 2022

| | 2022 | 2021 |
|---|--------------|----------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net (expenditure)/income | (73,795) | 218,141 |
| <i>Adjustments for:</i> | | |
| Accrued (income)/expenses | (840) | 1,200 |
| <i>Changes in:</i> | | |
| Trade and other debtors | (51,463) | (388,300) |
| Trade and other creditors | (116,315) | 116,315 |
| Cash generated from operations | (242,413) | (52,644) |
| Net cash used in operating activities | (242,413) | (52,644) |
| Net decrease in cash and cash equivalents | (242,413) | (52,644) |
| Cash and cash equivalents at beginning of year | 249,735 | 302,379 |
| Cash and cash equivalents at end of year | <u>7,322</u> | <u>249,735</u> |

The notes on pages 7 to 12 form part of these financial statements.

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 MMR Group, Broadhurst House, Bury Old Road, Salford, M7 4QX.

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

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.

3. Accounting policies *(continued)***Incoming resources**

All income is 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.

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.

Financial instruments

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

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 602,605 | 602,605 | 640,773 | 640,773 |

Tzidkas Yosef

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

5. Other income

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 |
|---------------------|-----------------------|-----------------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Interest Receivable | <u>105,397</u> | <u>105,397</u> | <u>96,681</u> | <u>96,681</u> |

6. Costs of raising donations and legacies

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 |
|---|-----------------------|-----------------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Costs of raising donations and legacies | <u>4,647</u> | <u>4,647</u> | <u>—</u> | <u>—</u> |

7. Expenditure on charitable activities by fund type

| | Unrestricted Funds | Total Funds 2022 | Unrestricted Funds | Total Funds 2021 |
|-----------------------|-----------------------|-----------------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Charitable activities | 773,036 | 773,036 | 517,776 | 517,776 |
| Support costs | <u>4,114</u> | <u>4,114</u> | <u>1,537</u> | <u>1,537</u> |
| | <u>777,150</u> | <u>777,150</u> | <u>519,313</u> | <u>519,313</u> |

8. Expenditure on charitable activities by activity type

| | Grant funding of activities | Support costs | Total funds 2022 | Total fund 2021 |
|-----------------------|--------------------------------|------------------|-----------------------------|--------------------|
| | £ | £ | £ | £ |
| Charitable activities | 773,036 | 2,794 | 775,830 | 518,113 |
| Governance costs | <u>—</u> | <u>1,320</u> | <u>1,320</u> | <u>1,200</u> |
| | <u>773,036</u> | <u>4,114</u> | <u>777,150</u> | <u>519,313</u> |

9. Analysis of support costs

| | Analysis of support costs | Total 2022 | Total 2021 |
|------------------|------------------------------|-------------------|--------------|
| | £ | £ | £ |
| General office | 2,794 | 2,794 | 337 |
| Governance costs | <u>1,320</u> | <u>1,320</u> | <u>1,200</u> |
| | <u>4,114</u> | <u>4,114</u> | <u>1,537</u> |

Tzidkas Yosef

Notes to the Financial Statements (continued)

Year ended 31 August 2022

10. Analysis of grants

| | 2022 £ | 2021 £ |
|---------------------------------|----------------|----------------|
| Grants to institutions | | |
| Amshenov | 14,047 | 14,895 |
| Aniyei Ircho | 56,222 | 55,039 |
| Beis Hamidrash Abarbenel Ashdod | 28,153 | 70,460 |
| Bikur Cholim Tzefas | 23,738 | 19,504 |
| Ezra Lekol Doresh | 175,166 | – |
| Grants below £10000 | 124,477 | 135,945 |
| Keren Ezra Memeitzar | 130,916 | 159,504 |
| Kollel Iyun | 17,681 | – |
| Kupat Hachesed | 18,680 | – |
| Meorey Chernobyl | 14,107 | – |
| Mercaz Yerusholayim | 17,818 | – |
| Merkaz Toldos | 18,289 | 25,356 |
| Midreshes Chai Moshe | 10,218 | – |
| Sheves Achim | 29,305 | – |
| Shevet Halevi | 13,148 | 12,084 |
| Slonim | – | 12,990 |
| Torah Vochedes | 26,011 | – |
| V H L T | 55,060 | – |
| Wlodowa | – | 12,000 |
| | <u>773,036</u> | <u>517,777</u> |
| Total grants | <u>773,036</u> | <u>517,777</u> |

The above grants were made to institutions in the U.K and abroad and went towards the following purposes; the relief of poverty, relief of those in need by reason of ill health or disability, the advancement of Jewish religion and the advancement of Jewish religious education.

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

| | 2022 £ | 2021 £ |
|------------------------------|--------------|-----------|
| Foreign exchange differences | <u>4,647</u> | <u>–</u> |

12. Independent examination fees

| | 2022 £ | 2021 £ |
|--|--------------|--------------|
| Fees payable to the independent examiner for: Independent examination of the financial statements | <u>1,320</u> | <u>1,200</u> |

13. Staff costs

Tzidkas Yosef

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

13. Staff costs *(continued)*

Nil Nil

The average head count of employees during the year was Nil (2021: Nil).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

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

15. Debtors

| | 2022 £ | 2021 £ |
|---------------|-----------|-----------|
| Other debtors | 1,751,154 | 1,699,691 |

16. Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 2,280 | 3,120 |
| Other creditors | 1,605,576 | 1,721,891 |
| | 1,607,856 | 1,725,011 |

17. Analysis of charitable funds

Unrestricted funds

| | At 1 Sept 21 £ | Income £ | Expenditure £ | At 31 Aug 22 £ |
|---------------|-------------------|-------------|------------------|-------------------|
| General funds | 224,415 | 708,002 | (781,797) | 150,620 |

| | At 1 Sept 20 £ | Income £ | Expenditure £ | At 31 Aug 21 £ |
|---------------|-------------------|-------------|------------------|-------------------|
| General funds | 6,274 | 737,454 | (519,313) | 224,415 |

Tzidkas Yosef

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

18. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2022 £ |
|----------------------------|-------------------------|--------------------------|
| Current assets | 1,758,476 | 1,758,476 |
| Creditors less than 1 year | (1,607,856) | (1,607,856) |
| Net assets | <u>150,620</u> | <u>150,620</u> |

| | Unrestricted Funds £ | Total Funds 2021 £ |
|----------------------------|-------------------------|--------------------------|
| Current assets | 1,949,426 | 1,949,426 |
| Creditors less than 1 year | (1,725,011) | (1,725,011) |
| Net assets | <u>224,415</u> | <u>224,415</u> |

19. Analysis of changes in net debt

| | At 1 Sep 2021 £ | Cash flows £ | At 31 Aug 2022 £ |
|--------------------------|-----------------------|------------------|------------------------|
| Cash at bank and in hand | <u>249,735</u> | <u>(242,413)</u> | <u>7,322</u> |

20. Related parties

During the year aggregate donations of £377,500 were received from trustees and related parties.