

Hachnosas Orchim Trust

Financial Statements

31 May 2021

Hachnosas Orchim Trust

Financial Statements

Year ended 31 May 2021

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Trustees' Annual Report | Year ended 31 May 2021

The trustees present their report and the financial statements of the charity for the Year ended 31 May 2021.

Reference and administrative details

Registered charity name	Hachnosas Orchim Trust
Charity registration number	1174672
Principal office	14 Wellington Street East Salford M7 2AX
The trustees	Mr Zev Freed Mr Jacob Freed Mr Yochanon Hochhauser
Bankers	Lloyds Bank 276 Moston Ln Moston Manchester M40 9WB
Independent Examiners	The Accountant LTD 132 Broughton St Cheetham Hill, Manchester M8 8AN

Hachnosas Orchim Trust

Trustees' Annual Report *(continued)* | Year ended 31 May 2021

Structure, governance and management

Hachnosas Orchim Trust is an unincorporated charity constituted under a Deed of Declaration of Trust dated 8th March 2017 . It is a registered charity with a charity number being 1174672 and was registered as a charity on 15 September 2017.

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 Jacob freed on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of the1 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 risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Hachnosas Orchim Trust

Trustees' Annual Report *(continued)* | Year ended 31 May 2021

Objectives and activities

The objects of the charity are the relief of poverty amongst persons in need and hardship in the Jewish community; the advancement of education according to the beliefs and values of the orthodox Jewish faith and the advancement of the Jewish orthodox religion.

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 has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charities objects. The application of the funds by way of grants is to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below. The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each objects. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Achievements and performance

The charity received £358,520 in donations during the year.

The charity paid out £350,000 by way of grants and support costs. The grants have been categorised for ease of reference and a full list of grants is available upon a written request to the trustees. The trustees consider this is line with SORP (FRS 102) paragraph 16.17 on the basis that the categories convey more meaningful information to the reader of the accounts.

These grants were made in line with the stated objects of the charity as analysed below.

Grants relate to the objects of the charity in the following way:-

1. Advancement of community projects amounting to £160,000
- II. The relief of poverty amongst the Jewish Community amounting to £190,000

The charity has low governance costs comprising professional fees.

There were no material fundraising costs during the year.

There was an overall net expenditure and movement in funds during the year amounting to £8,520.

Hachnosas Orchim Trust

Trustees' Annual Report *(continued)* | Year ended 31 May 2021

Financial review

The trustees feel that the year was an excellent one in terms of income from donations and grants paid out to the beneficiaries.

The trustees are delighted to have made many valuable contributions to the community as a result of these gains and donations and hope to be able to do so for many years to come.

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 grants to Israel.

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.

The reserves stand at £18,788 all of which are unrestricted.

Plans for future periods

The trustees plan to continue to raise funds for projects in line with the Trust Deed and pursue those objectives and projects with all the resources available to the charity.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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' annual report was approved on 5th March 2022 and signed on behalf of the board of trustees by:



Mr Jacob Freed
Trustee

Hachnosas Orchim Trust

Statement of Financial Activities

Year ended 31 May 2021

		2021	2020
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	4	358,520	157,874
Total income		<u>358,520</u>	<u>157,874</u>
 Expenditure			
Expenditure on charitable activities	5,6	(350,000)	(148,000)
Total expenditure		<u>(350,000)</u>	<u>(148,000)</u>
		8,520	9,874
Net expenditure and net movement in fund			
 Reconciliation of funds			
Total funds brought forward		10,268	394
Total funds carried forward		18,788	10,268

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

Hachnosas Orchim Trust Statement of Financial Position

Year ended 31 May 2020

		2021		2020
	Note	£	£	£
Current assets				
Cash at bank and in hand		18,788		10,268
Creditors: amounts falling due within one year				
			18,788	10,268
Net current assets				
Total assets less current liabilities			18,788	10,268
Net assets			18,788	10,268
Funds of the charity				
Unrestricted funds				
Total charity funds	13		18,788	10,268

These financial statements were approved by the board of trustees and authorized are signed on 5th March 2022 behalf of the board by:



Mr Jacob Freed
Trustee

Hachnosas Orchim Trust

Statement of Cash Flows

Year ended 31 May 2021

	2021 £	2020 £
Cash flows from operating activities		
Net expenditure	8,520	9,874
Cash generated from operations	8,520	9,874
Net cash from operating activities	8,520	9,874
Net decrease in cash and cash equivalents	8,520	9,874
Cash and cash equivalents at beginning of year	10,268	
Cash and cash equivalents at end of year	18,788	9,874

Hachnosas Orchim Trust

Notes to the Financial Statements | Year ended 31 May 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 14 Wellington Street East, Salford, M7 2AX

2. Statement of compliance

The accounts (financial statements) have been prepared in accordance with the relevant version of 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) and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the relevant version of 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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. This is due to the policy of the charity not to pay out any charitable grants until funds are available. It is therefore appropriate to prepare these accounts on a going concern basis.

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 held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Hachnosas Orchim Trust

Notes to the Financial Statements *(continued)* |

Year ended 31 May 2021

3. Accounting policies

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.

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.

Basic financial instruments are initially recognised at the amount receivable or payable including any

Hachnosas Orchim Trust Notes to the Financial Statements *(continued)* Year ended 31 May 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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	358,520	358,520	157,874	157,874

Hachnosas Orchim Trust

Notes to the Financial Statements *(continued)*, Year ended 31 May 2021

5. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Charitable grants.	350,000	350,000	148,000	148,000
	350,000	350,000	148,000	148,000

6. Analysis of grants

<u>Grants to institutions 2021</u>	£	Grants per cause 2021	£
		Community project	160,000
		Relief for poverty	190,000
Total grants	0		350,000

7. Staff costs

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

8. Trustee remuneration and expenses

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

9. Analysis of charitable funds

Statement of funds

	At 01 Jun 2020	Income	Expenditure	
General funds	10,268	358,520	(350,000)	18,788
	At 01 Jun 2019	Income	Expenditure	At 31 Mar 2019
	£	£	£	£
General funds	394	157,874	(148,000)	10,268

Hachnosas Orchim Trust

Notes to the Financial Statements *(continued)* Year ended 31 May 2021

10. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021
	£	£
Current assets	18,788	18,788
Creditors less than 1 year	-	-
Net assets	18,788	18,788

	Unrestricted Funds	Total Funds 2020
	£	£
Current assets	10,268	10,268
Creditors less than 1 year	-	-
Net assets	10,268	10,268

11. Taxation

Hachnosas Orchim Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HACHNOSAS ORCHIM TRUST

I report on the Accounts of the Trust for the year ended 31 May 2021, which are set out on pages 5-7.

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 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the Accounts under Section 145 of the 2011 Act;
- To follow procedures laid down in the General Directions given by the Charity Commission under Section 145(5) of the 2011 Act; and
- To state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINERS' REPORT

My examination was carried out in accordance with the 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 you as 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 EXAMINERS' STATEMENT

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

1. (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 2011; and
 - to prepare accounts which accord with the accounting records, and to comply with the accounting requirements of the 2011 Act have not been met; or
2. (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.

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