

**COMPANY REGISTRATION NUMBER: 11468334**

**CHARITY REGISTRATION NUMBER: 1181702**

**MERKAZ HATORAH LIMITED**

**TRUSTEES' REPORT AND UNAUDITED  
ACCOUNTS**

**30 SEPTEMBER 2022**

**MERKAZ HATORAH LIMITED  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
30 SEPTEMBER 22**

	Pages
Trustees' Annual Report	2
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Accounts	7

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the period ended 30 September 2022.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

**Company No. 11468334**

**Charity No. 1181702**

### **Principal and Registered Office**

61 Elm Park Avenue  
London  
N15 6UN

### **Directors and Trustees**

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

A Brecher  
D Hager  
P M Deutsch

### **Independent Examiners**

Hirsh Accountants Limited  
45 Stamford Hill  
London  
N16 5SR

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charity's objectives are to further those purposes both in the UK and overseas which are recognised as charitable under English Law.

The charity receives income from charitable donations and rental income from investment properties which it is currently redeveloping in the charity's best interest, which it utilises in the provision and distribution of grants and donations. Income will be applied to further the charity's objectives.

The charity's activity is principally, but not limited to, the provision and distribution of grants and donations to charitable organisations and needy individuals for the purpose of the advancement of the orthodox Jewish religion, the advancement of education in accordance with the orthodox Jewish religion and the prevention and relief of poverty.

### **Grant making**

The trustees are approached for donations by a wide variety of charitable institutions.

The trustees take due care to ensure that all grants are made only to charitable institutions and organisations that are deemed charitable according to English law and which accord with the objects of the charity. In making grants and donations, the trustees use their personal knowledge of the institution, its representatives, operational efficiency and reputation. The trustees consider all requests and make donations based on the level of funds available

## **ACHIEVEMENTS AND PERFORMANCE**

During the year the charity pursued its philanthropic objects. Income from donations and rental income aggregated £232,565 (2021: £66,673). Total resources expended was £208,963 (2021: £192,926).

## **FINANCIAL REVIEW**

### **Financial Position**

The financial results of the charity for the period ended 30 September 2022 are fully reflected in the attached Financial Statements together with the Notes thereon.

The charity did not engage in any charitable activity during the period. In 2022 the charity's Statement of Financial Activities show a surplus of £23,602.

### **Reserves Policy**

It is the policy of the charity to maintain Unrestricted Funds, which include the Free Reserves of the charity, at a level which the trustees think appropriate after considering the future commitments of the charity and the likely costs of the charity for the next year.

As at 30 September 2022, the charity has no distributable reserves and this position is expected to be reversed in the coming year. The trustees expect to receive donations in time to meet its liabilities and financial commitments as they fall due.

## **PLANS FOR FUTURE PERIODS**

The future plans of the charity are to continue to support organisations advancing the orthodox Jewish religion, orthodox Jewish education and the prevention and relief of poverty in the orthodox Jewish community worldwide.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Charity is constituted as a company limited by guarantee and as such, its governing documents are its Memorandum and Articles of Association.

New trustees are appointed based on personal competence, availability and knowledge and familiarity with the community which the charity serves. New trustees are inducted into the workings of the charity by the existing trustees.

The trustees administer the day-to-day affairs of the charity. None of the trustees have any beneficial interest in the charity.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

A Brecher  
Trustee  
28 July 2023

**MERKAZ HATORAH LIMITED**  
**INDEPENDENT EXAMINERS REPORT**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES of MERKAZ HATORAH LIMITED**

I report to the charity trustees on my examination of the financial statements of MERKAZ HATORAH LIMITED for the period ended 30 September 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

**Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

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 financial statements to be reached.

**M Hirsh FCCA**

Hirsh Accountants Limited

45 Stamford Hill

London

N16 5SR

28 July 2023

**MERKAZ HATORAH LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

		<b>Unrestricted funds</b>	<b>Total funds</b>	<b>Total funds</b>
		<b>Period to 30 September 2022</b>	<b>Period to 30 September 2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>				
Donations and legacies	3	21,200	21,200	-
Investments	4	211,339	211,339	66,673
<b>Total</b>		<b>232,565</b>	<b>232,565</b>	<b>66,673</b>
<b>Expenditure on:</b>				
Raising funds	5	203,577	203,577	179,486
Other	6	2,986	2,986	13,440
<b>Total</b>		<b>208,963</b>	<b>208,963</b>	<b>192,926</b>
<b>Net income/(expenditure)</b>		<b>23,602</b>	<b>23,602</b>	<b>(126,253)</b>
<b>Net movement in funds</b>		<b>23,602</b>	<b>23,602</b>	<b>(126,253)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		462,820	462,820	589,073
<b>Total funds carried forward</b>		<b>486,422</b>	<b>486,422</b>	<b>462,820</b>

**MERKAZ HATORAH LIMITED**  
**BALANCE SHEET**

**AS AT 30 SEPTEMBER 2022**

Company No.	11468334	Notes	Period to 30 September 2022 £	2021 £
<b>Fixed assets</b>				
	Investments	10	2,772,698	2,618,639
			<u>2,772,698</u>	<u>2,618,639</u>
<b>Current assets</b>				
	Debtors	12	236,866	120,710
	Cash at bank and in hand		129,131	32,400
			<u>365,997</u>	<u>153,110</u>
	<b>Creditors: Amount falling due within one year</b>	13	(52,273)	(2,308,929)
	<b>Net current assets/(liabilities)</b>		<u>313,724</u>	<u>(2,155,819)</u>
	<b>Total assets less current liabilities</b>		<u>3,086,422</u>	<u>462,820</u>
	<b>Creditors: Amounts falling due after more than one year</b>	14	(2,600,000)	-
	<b>Total net assets</b>		<u><u>486,422</u></u>	<u><u>462,820</u></u>
<b>The funds of the charity</b>				
<b>Unrestricted funds</b>				
	General funds	16	486,422	462,820
	Designated funds		-	-
	<b>Total funds</b>		<u><u>486,422</u></u>	<u><u>462,820</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the period ended 30 September 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 28 July 2023

And signed on its behalf by:

A Brecher  
Trustee  
28 July 2023

**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

**1 General Information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 61 Elm Park Avenue, London, N15 6UN.

**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 Companies Act 2006.

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.

**Limited liability**

In the event of a wind-up each member's liability is limited to £1.

**2 Accounting policies**

**Basis of preparation**

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

**Change in basis of accounting or to previous accounts**

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

**Fund accounting**

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.



## **MERKAZ HATORAH LIMITED**

### **NOTES TO THE ACCOUNTS**

#### **Income**

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

#### **Expenditure**

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Tangible fixed assets and depreciation**

Depreciation is provided as relevant in order to write off each asset over its estimated useful life:

#### **Freehold investment property**

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

#### **Trade and other debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, where applicable, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

**Trade and other creditors**

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**3 Income from donations and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total Period to 30 September 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	21,200	-	-	21,200	-
	<u>21,200</u>	<u>-</u>	<u>-</u>	<u>21,200</u>	<u>-</u>

**4 Income from investments**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total Period to 30 September 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rental Income	211,339	-	-	211,339	66,673
	<u>211,339</u>	<u>-</u>	<u>-</u>	<u>211,339</u>	<u>66,673</u>

**5 Expenditure on raising funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total Period to 30 September 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Investment management costs</i>					
Management fees and bills	18,777	-	-	18,777	41,757
Interest Costs	184,800	-	-	184,800	137,729
	<u>203,577</u>	<u>-</u>	<u>-</u>	<u>203,577</u>	<u>179,486</u>

**6 Expenditure on charitable activities**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total Period to 30 September 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Expenditure on charitable activities</i>					
<i>Governance costs</i>					
Independent Examiner's Fees	2,400	-	-	2,400	-
	<u>2,400</u>	<u>-</u>	<u>-</u>	<u>2,400</u>	<u>-</u>

**MERKAZ HATORAH LIMITED**  
**NOTES TO THE ACCOUNTS**

**7 Other expenditure**

	Unrestricted	Restricted	Endowment	Total Period to 30 September 2022	Total 2021
	£	£	£	£	£
Legal and professional costs	2,775	-	-	2,775	13,440
	<u>2,986</u>	<u>-</u>	<u>-</u>	<u>2,986</u>	<u>13,440</u>

**8 Net income/(expenditure) before transfers**

	Period to 30 September 2022	2021
	£	£
This is stated after charging:		
Independent Examiner's fee	2,400	1,500

**9 Trustee remuneration and expenses**

None of the trustees have been paid any remuneration in the current or prior periods.

None of the trustees have been paid any expenses in the current or prior periods.

**10 Investments**

	Freehold Investment Property £	Investment in Subsidiaries £	Other investments - Listed £	Other investments - Unlisted £	Total £
<b>Cost or revaluation</b>					
At 1 August 2021	2,618,638	100	-	-	2,618,738
Additions	153,960	-	-	-	153,960
At 30 September 2022	<u>2,772,598</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>2,772,698</u>
<b>Net book values</b>					
At 30 September 2022	<u>2,772,598</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>2,772,698</u>
At 31 July 2021	<u>2,618,638</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>2,618,738</u>

**11 Investment in Subsidiaries**

The company has the following subsidiary undertakings:

Name of company	Country of incorporation (if not UK)	Class of shares held	% age of shares held %	Capital and reserves at end of the relevant year £	Profit/(loss) for the relevant year £
Rochester Developments Limited			100	-	-

The company has an investment of £1 in a subsidiary undertaking, Rochester Developments Limited which was dormant in the period to 30 September 2022.

**12 Debtors**

	<b>Period to 30 September 2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,670	25,564
Other debtors	221,196	95,146
	<u>236,866</u>	<u>120,710</u>

Other debtors includes amounts due from Companies with one or more common Directors to this Company. These loans are secured and repayable on demand. They carry an interest rate of 10% which is rolled-up and due in full upon repayment.

**13 Creditors:**

amounts falling due within one year

	<b>Period to 30 September 2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loans	49,263	50,000
Other creditors	510	2,255,281
Accruals	2,400	3,648
	<u>52,273</u>	<u>2,308,929</u>

**14 Creditors:**

amounts falling due after more than one year

	<b>Period to 30 September 2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,600,000	-
	<u>2,600,000</u>	<u>-</u>

**15 Movement in funds**

	<b>At 1 August 2021</b>	<b>Incoming resources (including other gains/losses) £</b>	<b>Resources expended £</b>	<b>Gross transfers £</b>	<b>At 30 September 2022 £</b>
<b>Unrestricted funds:</b>					
<b>General funds</b>	462,820	232,565	(208,963)	-	486,422
<b>Total funds</b>	<u>462,820</u>	<u>232,565</u>	<u>(208,963)</u>	<u>-</u>	<u>486,422</u>

**MERKAZ HATORAH LIMITED**  
**NOTES TO THE ACCOUNTS**

**16 Analysis of net assets between funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	-	-	-	-
Investments	2,772,698	-	-	2,772,698
Net current assets	313,724	-	-	313,724
Creditors due in more than one year and provisions	(2,600,000)	-	-	(2,600,000)
	<u>486,422</u>	<u>-</u>	<u>-</u>	<u>486,422</u>

**17 Related party disclosures**

During the year, other than any mentioned above, there were no related party transactions as require disclosure.