

Charity registration number 1181702

Company registration number 11468334 (England and Wales)

MERKAZ HATORAH LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

MERKAZ HATORAH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Brecher P Deutsch D Hager
Charity number	1181702
Company number	11468334
Independent examiner	CHS Accountants Limited Lower Ground Floor, 13 High Road London N15 6LT

MERKAZ HATORAH LIMITED

CONTENTS

	Page
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 14

MERKAZ HATORAH LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 30 September 2024.

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 Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

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.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant making policy

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

Significant activities and achievements against objectives

During the year the charity pursued its philanthropic objects. Total income aggregated £220,899 (2023: £204,874). Total resources expended was £316,539 (2023: £234,041).

Financial review

The financial results of the charity for the year ended 30 September 2024 are fully reflected in the attached Financial Statements together with the Notes thereon.

The charity engaged in its usual charitable activity during the year. In 2024 the charity's Statement of Financial Activities show a deficit of £95,640.

As at 30 September 2024, the charity had Unrestricted Funds of £361,616.

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.

Structure, governance and management

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

MERKAZ HATORAH LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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:

A Brecher

P Deutsch

D Hager

Recruitment and appointment of trustees

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.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.



A Brecher

Trustee

30 July 2025

MERKAZ HATORAH LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

The trustees, who are also the directors of Merkaz Hatorah Limited for the purpose of company law, 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).

Company Law 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Companies Act 2006. 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.

MERKAZ HATORAH LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MERKAZ HATORAH LIMITED

I report to the trustees on my examination of the financial statements of Merkaz Hatorah Limited (the charity) for the year ended 30 September 2024.

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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 confirm that no 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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.



Pini Shebson ACA

CHS Accountants Limited
Lower Ground Floor,
13 High Road
London N15 6LT

Dated: 30 July 2025

MERKAZ HATORAH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	-	52,500
Investments	4	220,899	152,375
Total income		220,899	204,875
Expenditure on:			
Raising funds	5	60,045	23,174
Charitable activities	6	53,923	37,695
Other expenditure	12	202,571	173,172
Total expenditure		316,539	234,041
Net expenditure and movement in funds		(95,640)	(29,166)
Reconciliation of funds:			
Fund balances at 1 October 2023		457,256	486,422
Fund balances at 30 September 2024		361,616	457,256

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

MERKAZ HATORAH LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investment property	14	2,812,959		2,794,314	
Investments	15	100		100	
			2,813,059		2,794,414
Current assets					
Debtors	16	196,126		213,642	
Cash at bank and in hand		9,916		99,544	
			206,042		313,186
Creditors: amounts falling due within one year	18	(22,473)		(50,344)	
Net current assets			183,569		262,842
Total assets less current liabilities			2,996,628		3,057,256
Creditors: amounts falling due after more than one year	19	(2,635,012)		(2,600,000)	
Net assets			361,616		457,256
The funds of the charity					
Unrestricted funds	20	361,616		457,256	
			361,616		457,256

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2024.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 30 July 2025

Asher Brecher

A Brecher
Trustee

Company registration number 11468334 (England and Wales)

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

Charity information

Merkaz Hatorah Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 61 Elm Park Avenue, London, N15 6UN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

[Property rented to a group entity is accounted for as tangible fixed assets.]

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 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.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

(Continued)

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.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	-	52,500

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	205,819	152,252
Interest receivable	15,080	123
	<u>220,899</u>	<u>152,375</u>

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	60,045	23,174
	<u>60,045</u>	<u>23,174</u>

6 Expenditure on charitable activities

	Total Funds 2024 £	Total Funds 2023 £
Direct costs		
Grant funding of activities (see note 7)	49,000	34,700
Share of support and governance costs (see note 8)		
Support	266	95
Governance	4,657	2,900
	<u>53,923</u>	<u>37,695</u>
Analysis by fund		
Unrestricted funds	<u>53,923</u>	<u>37,695</u>

7 Grants payable

	Total Funds 2024 £
Grants to institutions:	
Nezer Hatalmud	35,000
Chasdei Uvois	8,000
Keren Nissuin (Misionim)	6,000
	<u>49,000</u>

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

8 Support costs allocated to activities

	2024 £	2023 £
Bank charges	131	95
General administrative costs	135	-
Governance costs	4,657	2,900
	<u>4,923</u>	<u>2,995</u>
Analysed between:		
Charitable activities	<u>4,923</u>	<u>2,995</u>

	2024 £	2023 £
Governance costs comprise:		
Independent examiner fees	2,400	2,400
Legal and professional	2,257	500
	<u>4,657</u>	<u>2,900</u>

9 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	<u>2,400</u>	<u>2,400</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

12 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Financing costs	202,571	173,172

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Investment property

	2024 £
Cost or revaluation	
At 1 October 2023	2,794,314
Additions	18,645
At 30 September 2024	2,812,959

The investment property is held at fair value as per the Directors' valuation.

15 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 October 2023 & 30 September 2024	100
Carrying amount	
At 30 September 2024	100
At 30 September 2023	100

	Notes	2024 £	2023 £
Other investments comprise:			
Investments in subsidiaries	22	100	100

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

16 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	20,201	16,000
Other debtors	138,875	160,592
	<u>159,076</u>	<u>176,592</u>

Other debtors include 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.

	2024 £	2023 £
Amounts falling due after more than one year:		
Other debtors	<u>37,050</u>	<u>37,050</u>
Total debtors	<u>196,126</u>	<u>213,642</u>

17 Loans and overdrafts

	2024 £	2023 £
Bank loans	<u>2,642,256</u>	<u>2,647,844</u>
Payable within one year	7,244	47,844
Payable after one year	<u>2,635,012</u>	<u>2,600,000</u>

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	17	7,244	47,844
Amounts owed to subsidiary undertakings		100	100
Other creditors		10,329	-
Accruals and deferred income		4,800	2,400
		<u>22,473</u>	<u>50,344</u>

MERKAZ HATORAH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	17	2,635,012	2,600,000

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 October 2023	Incoming resources	Resources expended	At 30 September 2024
	£	£	£	£
General funds	457,256	220,899	(316,539)	361,616
Previous year:	At 1 October 2022	Incoming resources	Resources expended	At 30 September 2023
	£	£	£	£
General funds	486,422	204,875	(234,041)	457,256

21 Related party transactions

Other than those mentioned above, there were no disclosable related party transactions during the year .

22 Subsidiaries

These financial statements are separate charity financial statements for Merkaz Hatorah Limited.

Details of the charity's subsidiaries at 30 September 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Rochester Developments Limited	United Kingdom			100.00