

BRESLOV SHUL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

BRESLOV SHUL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S Schwarcz Mr Israel Izak Mr I Simonovitz
Charity number	1184303
Registered office	38 Braydon Road London England N16 6QB

BRESLOV SHUL TRUST

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BRESLOV SHUL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

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, the Charities Act 2011 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 objects are;

- To advance the Orthodox Jewish Religion In London and elsewhere for the benefit of the public In particular but not exclusively through the provision of a place of worship, the holding of prayer meetings and lectures and the provision of Grants for Religious teaching and instruction.
- The prevention or relief of poverty in England and Wales, the USA, Israel and Europe by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Achievements and performance

The charity was involved in the running of a synagogue, and has also made various grants in the year under review in line with the charity's objects.

The charity received £19,256 in donations and grants during the year and £23,321 was paid out by way of grants and support costs.

Financial review

The charity's statement of financial activities shows a deficit of £16,171. Taking into account the difficulties in raising funds due to Covid-19 the trustees are satisfied with the progress made this year, and have furthered their fundraising efforts in the coming year to cover the shortfall.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level which will not impinge on its ability to continue its charitable activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a Charitable Incorporated Organisation and is controlled by its governing document. It was registered as a charity on 8 July 2019.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr S Schwarcz

Mr Israel Izak

Mr I Simonovitz

The power to appoint new trustees is vested in the current board. It is not the intention of the trustees of the charity to appoint any trustees. Should the situation change in the future, the trustees will apply suitable induction and training procedures. The trustees administer the day to day running of the charity.

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



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Mr S Schwarcz

Trustee

Dated: **Oct 3, 2022**

BRESLOV SHUL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	19,256	23,841
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	23,321	35,947
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(4,065)	(12,106)
Fund balances at 1 January 2021		(12,106)	-
		<hr/>	<hr/>
Fund balances at 31 December 2021		(16,171)	(12,106)
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

BRESLOV SHUL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	9	-		1,710	
Cash at bank and in hand		2,854		8,396	
		<u>2,854</u>		<u>10,106</u>	
Creditors: amounts falling due within one year	11	(4,400)		(4,512)	
		<u></u>		<u></u>	
Net current (liabilities)/assets			(1,546)		5,594
Creditors: amounts falling due after more than one year	12		(14,625)		(17,700)
			<u></u>		<u></u>
Net liabilities			(16,171)		(12,106)
			<u></u>		<u></u>
Income funds					
Unrestricted funds			(16,171)		(12,106)
			<u>(16,171)</u>		<u>(12,106)</u>

The financial statements were approved by the Trustees on Oct 3, 2022

Solomon Schwarcz

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Mr S Schwarcz
Trustee

BRESLOV SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Breslov Shul Trust is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 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)". 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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. 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 notwithstanding the current deficit in the charity's funds, due to the continued support from the community. 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 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.

BRESLOV SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.5 Expenditure

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 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.

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 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	18,964	23,633
Government grant	292	208
	<u>19,256</u>	<u>23,841</u>

The government grant relates to the charity's loan interest that has been covered by the governments Business Interruption Payments under the Bounce Back Loan Scheme .

4 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2021	2020
	£	£
Synagogue running costs	14,418	15,846
Grant funding of activities (see note 5)	7,355	18,956
Share of governance costs (see note 6)	1,548	1,145
	<u>23,321</u>	<u>35,947</u>

5 Grants payable

The charity made various grants to needy individuals and organisations which assist them, during the year. The grants were made inline with the charity's objects.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	-	990	990	-	600	600
Legal and professional	-	-	-	-	180	180
Bank charges & similar fees	-	66	66	-	157	157
Loan Interest	-	492	492	-	208	208
	-	1,548	1,548	-	1,145	1,145
Analysed between Charitable activities	-	1,548	1,548	-	1,145	1,145

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

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

9 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	-	1,710

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Loans and overdrafts

	2021 £	2020 £
Bank loans	18,425	20,000
Payable within one year	3,800	2,300
Payable after one year	14,625	17,700

The above long-term loan is guaranteed by the government under the Bounce back loan scheme.

The loan accrues interest at 2.5% p.a.

11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	10	3,800	2,300
Trade creditors		-	1,612
Accruals and deferred income		600	600
		4,400	4,512

12 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	10	14,625	17,700

13 Related party transactions

There were no disclosable related party transactions during the year.