

CHARITY REGISTRATION NUMBER: 1194290

FRIENDS OF KH

TRUSTEES' REPORT AND AUDITED ACCOUNTS

30 SEPTEMBER 2022

Glazers
843 FINCHLEY ROAD
LONDON
NW11 8NA

FRIENDS OF KH
CHARITABLE TRUST
FINANCIAL STATEMENTS
30 SEPTEMBER 2022

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The trustees present their report with the audited financial statements of the charity for the period ended 30 September 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1194290

Principal and Registered Office

First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Trustees

The following trustees served during the year:

Chagai Kahn
Oscar Low
Richard Kaufman

Auditors

Glazers
843 Finchley Road
London
NW11 8NA

OBJECTIVES AND ACTIVITIES

The charity's objectives are to advance the Jewish religion and in particular observance of the Law of Shmita including by supporting the exclusively charitable work of Keren Hashviis.

The trustees confirm their compliance with the duty to have due regard to the public benefit guidance published by the Charity Commission when reviewing the charity's aims and objectives in planning future events.

ACHIEVEMENTS AND PERFORMANCE

The charity employs its funds and resources for grants in support of Keren Hashviis.

During the period the charity made grants totalling £1,807,000.

The financial results for the period to 30 September 2022 are fully reflected in the attached Financial Statements and the Notes thereon.

FINANCIAL REVIEW

Reserves Policy

The charity's policy is to maintain Unrestricted funds at a level which the trustees deem appropriate after considering future commitments and the likely costs for the next year.

As at 30 September 2022 the charity had Unrestricted Funds of £24,737.

Grant Making Policy

The charity makes grants to Keren Hashviis, to further their exclusively charitable work in the furtherance of the observance of Shmita, a Biblically ordained, agricultural Sabbatical Year in Israel occurring once in seven years, and in support of the farmers whose livelihood is affected by pausing their production and business for this period.

In making these grants the trustees use their personal knowledge and experience of philanthropic work and their understanding of Shmita and the needs of those farmers observing it. The trustees monitor the application of funds by maintaining regular correspondence with the recipient charity and its ultimate beneficiaries, including detailed breakdowns of how the funds are being used and distributed.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The Trustees have identified and reviewed the major risks to which the charity is exposed, in particular operational and financial risks and are satisfied that appropriate systems are in place to manage and mitigate these risks.

PLANS FOR FUTURE PERIODS

The charity plans to continue its grant making activities in support of Keren Hashviis and Shmita observance. Due to the cyclical nature of Shmita, it is expected that the charity's activities will be less significant in the ensuing years of the Shmita cycle. The next Shmita year falls in 2028-2029 with preparations commencing some months prior.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a registered charity (charity number 1194290) and is governed by a CIO Foundation Constitution dated 29 April 2021.

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

New trustees are appointed based on personal competence, specialist skill, knowledge and availability.

STATEMENT OF COMPLAINEE

The charity is a public benefit entity, a registered charity in England and Wales and is unincorporated. The address of the principal office is First Floor, Winston House, 349 Regents Park Road, London, N3 1DH.

Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. 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.

Signed on behalf of the charity's trustees



Richard Kaufman

Trustee

10 March 2023

Independent Auditor's Report to the Trustees of FRIENDS OF KH

Opinion

We have audited the accounts of FRIENDS OF KH (the 'charity') for the period ended 30 SEPTEMBER 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the Notes to the Accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 30 SEPTEMBER 2022, and of its profit/loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs) (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the trustees' report and accounts, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or

- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement found in the trustees' report, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charity, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on law and regulations which could give rise to material misstatements in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Glazers
Accountants and Statutory Auditors
843 Finchley Road
London
NW11 8NA

10 March 2023

Glazers is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a charity under section 1212 of the Companies Act 2006.

FRIENDS OF KH
STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	Unrestricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	4	2,103,579	2,103,579
Total		2,103,579	2,103,579
Expenditure on:			
Raising funds	5	267,622	267,622
Charitable activities	6	1,811,100	1,811,100
Other	8	120	120
Total		2,078,842	2,078,842
Net income before other gains/(losses)		24,737	24,737
Reconciliation of funds:			
Total funds brought forward		-	-
Total funds carried forward	15	24,737	24,737

FRIENDS OF KH
BALANCE SHEET

AS AT 30 SEPTEMBER 2022

Charity No. 1194290

	Notes	2022 £
Current assets		
Cash at bank and in hand		28,837
		<u>28,837</u>
Creditors: Amount falling due within one year	12	(4,100)
Net current assets		<u>24,737</u>
Total assets less current liabilities		24,737
Creditors: Amounts falling due after more than one year		-
Total net assets		<u>24,737</u>
The funds of the charity		
Unrestricted funds		
General funds	15	24,737
Designated funds		-
Total funds		<u>24,737</u>

Approved by the trustees on 10 March 2023

And signed on their behalf by:



Richard Kaufman

Trustee

10 March 2023

FRIENDS OF KH
STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	2022 £
Cash flows from operating activities	
Net income per Statement of Financial Activities	24,737
Adjustments for:	
Increase in trade and other payables	4,100
Net cash provided by operating activities	<u>28,837</u>
Cash flows from investing activities	
Net cash from investing activities	<u>-</u>
Cash flows from financing activities	
Net cash from financing activities	<u>-</u>
Net increase in cash and cash equivalents	28,837
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u>28,837</u>
Components of cash and cash equivalents	
Cash and bank balances	28,837
Bank overdrafts	-
	<u>28,837</u>

FOR THE PERIOD ENDED 30 SEPTEMBER
2022

1 General Information

The charity is a public benefit entity and a CIO, registered in England and Wales. The address of the registered office is First Floor, Winston House, 349 Regents Park Road, London, N3 1DH.

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)).

The financial statements are prepared in sterling, which is the functional currency of the entity.

3 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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.

Going Concern

There are no material uncertainties about the charity's ability to continue.

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.

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 tax on its charitable activities.

Tangible fixed assets and depreciation

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

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, 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.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

FRIENDS OF KH
NOTES TO THE ACCOUNTS

4 Income from donations and legacies

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
Donations Received	2,103,579	-	-	2,103,579
	<u>2,103,579</u>	<u>-</u>	<u>-</u>	<u>2,103,579</u>

5 Expenditure on raising funds

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
Costs of generating voluntary income				
Operating Costs	267,622	-	-	267,622
	<u>267,622</u>	<u>-</u>	<u>-</u>	<u>267,622</u>

6 Expenditure on charitable activities

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
Expenditure on charitable activities				
Grants made	1,807,000	-	-	1,807,000
Governance costs	4,100	-	-	4,100
	<u>1,811,100</u>	<u>-</u>	<u>-</u>	<u>1,811,100</u>

7 Analysis of grants

Activity or programme	Grants to Institutions	Grants to Individuals	Support Costs	Total 2022
	£	£	£	£
Grants to Keren Hashviis in Israel	1,807,000	-	-	1,807,000
	<u>1,807,000</u>	<u>-</u>	<u>-</u>	<u>1,807,000</u>

8 Other expenditure

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
General administrative costs	120	-	-	120
	<u>120</u>	<u>-</u>	<u>-</u>	<u>120</u>

9 Net income before transfers

	2022
This is stated after charging:	£
Auditors' remuneration	2,100
Accountant's fee	2,000

10 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.

11 Staff costs

No employee received emoluments in excess of £60,000.

12 Creditors:

amounts falling due within one year

	2022 £
Accruals	4,100
	<u>4,100</u>

13 Movement in funds

	At 29 April 2021	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 30 September 2022 £
Unrestricted funds:					
General funds	-	2,103,579	(2,078,842)	-	24,737
Total funds	<u>-</u>	<u>2,103,579</u>	<u>(2,078,842)</u>	<u>-</u>	<u>24,737</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Net current assets	24,737	-	-	24,737
Creditors due in more than one year and provisions	-	-	-	-
	<u>24,737</u>	<u>-</u>	<u>-</u>	<u>24,737</u>

15 Related party disclosures

There were no related party transactions during the year as requiring disclosure.