

CHARITY REGISTRATION NUMBER: 1194290

FRIENDS OF KH

TRUSTEES' REPORT AND UNAUDITED ACCOUNTS

30 SEPTEMBER 2023

FRIENDS OF KH
CHARITABLE TRUST
FINANCIAL STATEMENTS
30 SEPTEMBER 2023

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The trustees present their report with the unaudited financial statements of the charity for the year ended 30 September 2023.

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

Accountants

Hirsh Accountants Limited
45 Stamford Hill
London
N16 5SR

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 year the charity made grants totalling £200,195 (2022: £1,807,000)

The financial results for the period to 30 September 2023 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 2023 the charity had Unrestricted Funds of £83,963 (2022: £59,226).

Grant Making Policy

The charity makes grants 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.

FRIENDS OF KH TRUSTEES ANNUAL REPORT

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 fall sin 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 COMPLAINT

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
29 February 2024

FRIENDS OF KH INDEPENDENT EXAMINERS REPORT

Independent Examiner's Report to the trustees of FRIENDS OF KH

I report to the trustees on my examination of the financial statements of FRIENDS OF KH for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011('the Act'). The trustees consider that an audit is not required for this year under the Charities Act 2011, s.144(2) (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

As the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by being a qualified member of ICAEW.

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 in, any material respect:

- the accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of the financial statements set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Moshe Hirsh FCCA
Hirsh Accountants limited
45 Stamford Hill
London
N16 5SR
29 February 2024

**FRIENDS OF KH
STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 30 SEPTEMBER 2023

		Total funds 2023 £	Total funds 2022 £
	Notes		
Income and endowments from:			
Donations and legacies	2	269,331	2,103,579
Other	3	41	-
Total		269,372	2,103,579
Expenditure on:			
Raising funds	4	6,976	267,622
Charitable activities	5	201,695	1,811,100
Other	7	1,475	120
Total		210,146	2,078,842
Net movement in funds		59,226	24,737
Reconciliation of funds:			
Total funds brought forward		24,737	-
Total funds carried forward		83,963	24,737

**FRIENDS OF KH
BALANCE SHEET**

AS AT 30 SEPTEMBER 2023

Charity No. 1194290

		2023	2022
		£	£
Current assets			
Cash at bank and in hand		85,463	28,837
		<u>85,463</u>	<u>28,837</u>
Creditors: Amount falling due within one year	10	(1,500)	(4,100)
		<u>83,963</u>	<u>24,737</u>
Net current assets		83,963	24,737
Total assets less current liabilities		<u>83,963</u>	<u>24,737</u>
Net assets excluding pension asset or liability		<u>83,963</u>	<u>24,737</u>
Total net assets		<u><u>83,963</u></u>	<u><u>24,737</u></u>
The funds of the charity			
Unrestricted funds			
General funds	11	83,963	24,737
		<u>83,963</u>	<u>24,737</u>
Total funds		<u><u>83,963</u></u>	<u><u>24,737</u></u>

Approved by the trustees on 29 February 2024

And signed on their behalf by:

Richard Kaufman
Trustee
29 February 2024

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 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.

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.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

FRIENDS OF KH

NOTES TO THE ACCOUNTS

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.

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.

Intangible fixed assets and amortisation

Intangible fixed assets (including purchased goodwill, patents and trademarks) are carried at cost less accumulated amortisation and impairment losses.

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

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Income from donations and legacies

	Unrestricted	Total	Total
		2023	2022
	£	£	£
Donations Received	269,331	269,331	2,103,579
	<u>269,331</u>	<u>269,331</u>	<u>2,103,579</u>

3 Other income

	Unrestricted	Total	Total
		2023	2022
	£	£	£
Exchange Gains	41	41	-
	<u>41</u>	<u>41</u>	<u>-</u>

4 Expenditure on raising funds

	Unrestricted	Total	Total
		2023	2022
	£	£	£
<i>Costs of generating voluntary income</i>			
<i>Operating Costs</i>	6,976	6,976	267,622
	<u>6,976</u>	<u>6,976</u>	<u>267,622</u>

5 Expenditure on charitable activities

	Unrestricted	Total	Total
	Funds	2023	2022
	£	£	£
<i>Expenditure on charitable activities</i>			
Grants made	200,195	200,195	1,807,000
<i>Governance costs</i>	1,500	1,500	4,100
	<u>201,695</u>	<u>201,695</u>	<u>1,811,100</u>

FRIENDS OF KH
NOTES TO THE ACCOUNTS

6 Analysis of grants

Activity or programme	Grants to Institutions £	Total 2023 £	Total 2022 £
Grants to Keren Hashviis in Israel	200,000	200,000	1,807,000
Other grants	195	195	-
	<u>200,195</u>	<u>200,195</u>	<u>1,807,000</u>

7 Other expenditure

	Unrestricted £	Total 2023 £	Total 2022 £
Misc Expenditure	1,443	1,443	-
General administrative costs	32	32	120
	<u>1,475</u>	<u>1,475</u>	<u>120</u>

8 Net income before transfers

	2023 £	2022 £
This is stated after charging:		
Auditors' remuneration	-	2,100
Independent Examiner's fee	1,500	-

9 Staff costs

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

10 Creditors:

amounts falling due within one year

	2023 £	2022 £
Accruals	<u>1,500</u>	<u>4,100</u>
	<u>1,500</u>	<u>4,100</u>

11 Movement in funds

	At 1 October 2022 £	Incoming resources (including other gains/losses) £	Resources expended £	At 30 September 2023 £
Restricted funds:				
Unrestricted funds:				
General funds	24,737	269,372	(210,146)	83,963
Total funds	<u>24,737</u>	<u>269,372</u>	<u>(210,146)</u>	<u>83,963</u>

12 Analysis of net assets between funds

	Unrestricted funds	Total
	£	£
Net current assets	83,963	83,963
	<u>83,963</u>	<u>83,963</u>