

**Lubavitch Education Trust**  
**Unaudited Financial Statements**  
**31 August 2022**

**CHARTWELL ACCOUNTANTS & BUSINESS CONSULTANTS LLP**

Chartered Certified Accountants  
47 Bury New Road  
Prestwich  
Manchester  
M25 9JY

# **Lubavitch Education Trust**

## **Financial Statements**

**Period from 17 June 2021 to 31 August 2022**

---

	<b>Page</b>
Trustees' annual report	<b>1</b>
Independent examiner's report to the trustees	<b>4</b>
Statement of financial activities	<b>5</b>
Statement of financial position	<b>6</b>
Notes to the financial statements	<b>7</b>

---

# Lubavitch Education Trust

## Trustees' Annual Report

### Period from 17 June 2021 to 31 August 2022

---

The trustees present their report and the unaudited financial statements of the charity for the period ended 31 August 2022.

#### Reference and administrative details

**Registered charity name** Lubavitch Education Trust

**Charity registration number** 1194845

**Principal office** Intermercantile House  
168 Granville Road  
London  
NW2 2LD

#### The trustees

Mr R Garbarchick  
Mr S Davidoff

#### Accountants

Chartered Certified Accountants  
47 Bury New Road  
Prestwich  
Manchester  
M25 9JY

#### Structure, governance and management

Lubavitch Education Trust is constituted under a deed dated 15th September 2020 as amended by resolution dated 7th June 2021. It was registered as a charity on 17th June 2021 with registration number 1194845.

#### Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage exposure to the major risks.

#### Objectives and activities

The objects of the Charity are to advance the Jewish religion for the benefit of the public in accordance with the statement of faith as incorporated into the Trust deed of the Charity by providing and assisting in the provision of funds and facilities of Lubavitch institutions.

#### Public benefit

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.

# **Lubavitch Education Trust**

## **Trustees' Annual Report** *(continued)*

### **Period from 17 June 2021 to 31 August 2022**

---

#### **Achievements and performance**

During the period donations of £210,992 were received by the Charity almost all of which was distributed as grants to Lubavitch institutions.

Grants totalling £176,661 were paid out to Lubavitch Kodesh Club.

Fundraising campaigns were launched for the specific purpose of supporting extra-curricular activities for the children and young people studying at Lubavitch educational institutions. £32,900 was raised for this purpose and £32,821 was paid out by way of grants.

#### **Financial review**

##### **Principal funding sources**

The Charity is dependent on charitable donations from other charities and philanthropists.

##### **Reserves policy**

The trustees have reviewed the reserves and future requirements of the charity. All future needs are considered together with any risks or contingencies that may exist. The trustees are confident that sufficient reserves will be generated to achieve the objectives of the charity.

##### **Plans for future periods**

There are no plans to change the current operating structure in the foreseeable future.

##### **Trustees' responsibilities statement**

The trustees 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).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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, of the charity for that period.

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

# **Lubavitch Education Trust**

## **Trustees' Annual Report** *(continued)*

### **Period from 17 June 2021 to 31 August 2022**

---

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 19 February 2023 and signed on behalf of the board of trustees by:

Mr R Garbarchick  
Trustee

# **Lubavitch Education Trust**

## **Independent Examiner's Report to the Trustees of Lubavitch Education Trust**

### **Period from 17 June 2021 to 31 August 2022**

---

I report to the trustees on my examination of the financial statements of Lubavitch Education Trust ('the charity') for the period ended 31 August 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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**

I have completed my examination. I 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:

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

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 accounts to be reached.

Meir Guttentag FCCA of Chartwell Accountants and Business Consultants LLP Independent Examiner

47 Bury New Road  
Prestwich  
Manchester  
M25 9JY

19 Feb 23

# Lubavitch Education Trust

## Statement of Financial Activities

Period from 17 June 2021 to 31 August 2022

		Period from 17 Jun 21 to 31 Aug 22		
	Note	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	178,091	32,900	210,992
<b>Total income</b>		<u>178,091</u>	<u>32,900</u>	<u>210,992</u>
<b>Expenditure</b>				
Expenditure on charitable activities	5,6	178,977	32,821	211,799
<b>Total expenditure</b>		<u>178,977</u>	<u>32,821</u>	<u>211,799</u>
<b>Net expenditure and net movement in funds</b>		<u>(886)</u>	<u>79</u>	<u>(807)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		—	—	—
<b>Total funds carried forward</b>		<u>(886)</u>	<u>79</u>	<u>(807)</u>

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

The notes on pages 7 to 11 form part of these financial statements.

# Lubavitch Education Trust

## Statement of Financial Position

31 August 2022

---

	Note	31 Aug 22 £
<b>Current assets</b>		
Cash at bank and in hand		93
<b>Creditors: amounts falling due within one year</b>	<b>12</b>	<u>900</u>
<b>Net current liabilities</b>		<u>807</u>
<b>Total assets less current liabilities</b>		<u>(807)</u>
<b>Net liabilities</b>		<u>(807)</u>
 <b>Funds of the charity</b>		
Restricted funds		79
Unrestricted funds		<u>(886)</u>
<b>Total charity funds</b>	<b>13</b>	<u>(807)</u>

These financial statements were approved by the board of trustees and authorised for issue on 19 Feb 23, and are signed on behalf of the board by:

Mr R Garbarchick  
Trustee

---

The notes on pages 7 to 11 form part of these financial statements.



# **Lubavitch Education Trust**

## **Notes to the Financial Statements**

**Period from 17 June 2021 to 31 August 2022**

---

### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Intermercantile House, 168 Granville Road, London, NW2 2LD.

### **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)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Lubavitch Education Trust

## Notes to the Financial Statements *(continued)*

Period from 17 June 2021 to 31 August 2022

---

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

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 raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- 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.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

# Lubavitch Education Trust

## Notes to the Financial Statements *(continued)*

Period from 17 June 2021 to 31 August 2022

---

### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations received	178,091	32,900	210,992

### 5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grant funding	177,941	32,821	210,762
Support costs	1,036	—	1,037
	178,977	32,821	211,799

# Lubavitch Education Trust

## Notes to the Financial Statements *(continued)*

Period from 17 June 2021 to 31 August 2022

---

### 6. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2022 £
Grant funding	210,762	–	210,762
Governance costs	–	1,037	1,037
	<u>210,762</u>	<u>1,037</u>	<u>211,799</u>

### 7. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2022 £
Governance costs	<u>1,129</u>	<u>1,129</u>

### 8. Analysis of grants

	Period from 17 Jun 21 to 31 Aug 22 £
<b>Grants to institutions</b>	
Grants to institutions	<u>210,762</u>
Total grants	<u>210,762</u>

### 9. Independent examination fees

	Period from 17 Jun 21 to 31 Aug 22 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>

### 10. Staff costs

The average head count of employees during the period was Nil.

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

### 11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

# Lubavitch Education Trust

## Notes to the Financial Statements *(continued)*

### Period from 17 June 2021 to 31 August 2022

#### 12. Creditors: amounts falling due within one year

	31 Aug 22
	£
Accruals and deferred income	900
	<u>900</u>

#### 13. Analysis of charitable funds

##### Unrestricted funds

	At 17 June 2021	Income £	Expenditure £	At 31 August 2022
General funds	£ –	178,091	(178,977)	£ (886)
	<u>–</u>	<u>178,091</u>	<u>(178,977)</u>	<u>(886)</u>

##### Restricted funds

	At 17 June 2021	Income £	Expenditure £	At 31 August 2022
Restricted Fund 1 - desc in a/cs	£ –	32,900	(32,821)	£ 79
	<u>–</u>	<u>32,900</u>	<u>(32,821)</u>	<u>79</u>

#### 14. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Current assets	14	79	93
Creditors less than 1 year	(900)	–	(900)
<b>Net liabilities</b>	<u>(886)</u>	<u>79</u>	<u>(807)</u>

#### 15. Related parties

Donations were received from the following Trustees during the period:

Mr R Garbrchick - £1,000  
Mr S Davidoff - £5,000

