

Derochim Pathways
Unaudited Financial Statements
31 March 2023

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Derochim Pathways

Financial Statements

Year ended 31 March 2023

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Derochim Pathways

Trustees' Annual Report

Year ended 31 March 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Derochim Pathways
Charity registration number	1194945
Principal office	37A Bury New Road Prestwich Manchester M25 9JY
The trustees	Z P Meisner A Bar Ilan M E Fuerst
Independent examiner	Mr H Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

Derochim Pathways

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Structure, governance and management

Derochim Pathways is a CIO. It was registered as a charity on 24 June 2021 with a charity number 1194945.

Recruitment and appointment of new trustees would be in line with the trust deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day-to-day affairs are undertaken by Mr Z Meisner on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

A policy and procedure for the induction and training of new trustees is currently being developed and will be implemented in the coming year.

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 our exposure to the major risks.

The risks faced by the trust are principally operational risks from operating ineffective courses or workshops. These risks are managed by the trustees researching speakers and considering appropriate course material to reach as wide an audience as possible.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all courses or workshops run.

Objectives and activities

The objects of the charity are: To advance the education of the public in general (and particularly amongst teachers and youth workers) on the subjects of educational psychology, personal & social development and mental health.

Public benefit

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

Grant making policy

The charity would give out grants in line with the above objects.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number of courses or workshops run each year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Derochim Pathways

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Achievements and performance

The charity received £63,182 in donations and grants during the year. £87,009 was paid out by way of direct charitable costs and support costs. These direct charitable costs were made in line with the stated objects of the charity and were for educational workshops that the charity provided during the year.

The charity ran a number of workshops for the community and schools, for children, teachers and SLT on various topics which holistically include, spiritual and mental well-being, psychology, education, and physical and emotional health

Overall, our organisation is about "making sure every child has the opportunity to succeed in life." We find the gaps in the community and we look to fill them.

Our current range of work, working with individual children, schools and groups, includes:

- Referral service and signposting;
- Community events and wellbeing courses/training/awareness; - CPD for professionals;
- Schools consulting;
- PEP for senior teachers.

Over the last year we have impacted 750 children directly and 3,500 children indirectly.

The charity has governance costs comprising professional fees and other administration costs.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

There were no fundraising costs during the year.

Related party transactions are disclosed as applicable in the notes to the accounts.

There was a net expenditure and net movement in funds for the year after amounting to £(23,827), of which £(34,550) is attributable to the restricted fund and £10,723 is attributable to the unrestricted fund.

Financial review

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

Reserves policy

The unrestricted fund represents the unrestricted funds arising from past operating results.

The trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve roughly equal to the net current assets of the charity.

The free reserves, being the net current assets of the charity, stand at £15,488, all of which is unrestricted.

Derochim Pathways

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

The trustees' annual report was approved on 28 January 2024 and signed on behalf of the board of trustees by:

Z P Meisner
Trustee

Derochim Pathways

Independent Examiner's Report to the Trustees of Derochim Pathways

Year ended 31 March 2023

I report to the trustees on my examination of the financial statements of Derochim Pathways ('the charity') for the year ended 31 March 2023.

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.

Mr H Schwalbe ACA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

28 Jan 24

Derochim Pathways

Statement of Financial Activities

Year ended 31 March 2023

Year to 31 Mar 23					Period from 24 Jun 21 to 31 Mar 22
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	47,267	10,000	57,267	66,043
Other income	5	5,915	–	5,915	3,808
Total income		<u>53,182</u>	<u>10,000</u>	<u>63,182</u>	<u>69,851</u>
Expenditure					
Expenditure on charitable activities	6,7	42,459	44,550	87,009	29,503
Total expenditure		<u>42,459</u>	<u>44,550</u>	<u>87,009</u>	<u>29,503</u>
Net (expenditure)/income and net movement in funds					
		<u>10,723</u>	<u>(34,550)</u>	<u>(23,827)</u>	<u>40,348</u>
Reconciliation of funds					
Total funds brought forward		5,798	34,550	40,348	–
Total funds carried forward		16,521	–	16,521	40,348

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 8 to 15 form part of these financial statements.

Derochim Pathways

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	14	1,033	–
Current assets			
Debtors	15	1,339	–
Cash at bank and in hand		15,214	41,323
		<u>16,553</u>	<u>41,323</u>
Creditors: amounts falling due within one year	16	<u>1,065</u>	<u>975</u>
Net current assets		<u>15,488</u>	<u>40,348</u>
Total assets less current liabilities		<u>16,521</u>	<u>40,348</u>
Net assets		<u>16,521</u>	<u>40,348</u>
Funds of the charity			
Restricted funds		–	34,550
Unrestricted funds		<u>16,521</u>	<u>5,798</u>
Total charity funds	17	<u>16,521</u>	<u>40,348</u>

These financial statements were approved by the board of trustees and authorised for issue on 28 Jan 24, and are signed on behalf of the board by:

Z P Meisner
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Derochim Pathways

Notes to the Financial Statements

Year ended 31 March 2023

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 37A Bury New Road, Prestwich, Manchester, M25 9JY.

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 did not require management to make judgements, estimates or assumptions that affect the amounts reported besides the valuation of fixed asset investments at the year end.

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.

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

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.

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.

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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 2023 £
Donations			
Donations	3,697	–	3,697
Course Fees	13,570	–	13,570
Grants			
Grants receivable	30,000	10,000	40,000
	<u>47,267</u>	<u>10,000</u>	<u>57,267</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	28,000	–	28,000
Course Fees	3,043	–	3,043
Grants			
Grants receivable	–	35,000	35,000
	<u>31,043</u>	<u>35,000</u>	<u>66,043</u>

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	<u>5,915</u>	<u>5,915</u>	<u>3,808</u>	<u>3,808</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Workshops and other direct costs	40,804	44,550	85,354
Support costs	<u>1,655</u>	<u>—</u>	<u>1,655</u>
	<u>42,459</u>	<u>44,550</u>	<u>87,009</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Workshops and other direct costs	27,593	450	28,043
Support costs	<u>1,460</u>	<u>—</u>	<u>1,460</u>
	<u>29,053</u>	<u>450</u>	<u>29,503</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Workshops and other direct costs	85,054	300	385	85,739	28,541
Governance costs	<u>—</u>	<u>—</u>	<u>1,270</u>	<u>1,270</u>	<u>962</u>
	<u>85,054</u>	<u>300</u>	<u>1,655</u>	<u>87,009</u>	<u>29,503</u>

8. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
General office	385	385	498
Governance costs	<u>1,270</u>	<u>1,270</u>	<u>962</u>
	<u>1,655</u>	<u>1,655</u>	<u>1,460</u>

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

9. Analysis of grants

	Year to 31 Mar 23 £	Period from 24 Jun 21 to 31 Mar 22 £
Grants to institutions		
Ezra Care	300	—
Total grants	<u>300</u>	<u>—</u>

10. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>509</u>	<u>—</u>

11. Independent examination fees

	Year to 31 Mar 23 £	Period from 24 Jun 21 to 31 Mar 22 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>990</u>	<u>900</u>

12. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

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

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2022	–
Additions	1,542
At 31 March 2023	<u>1,542</u>
Depreciation	
At 1 April 2022	–
Charge for the year	509
At 31 March 2023	<u>509</u>
Carrying amount	
At 31 March 2023	<u>1,033</u>
At 31 March 2022	<u>–</u>

15. Debtors

	2023 £	2022 £
Other debtors	<u>1,339</u>	<u>–</u>

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	990	900
Other creditors	75	75
	<u>1,065</u>	<u>975</u>

17. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2022 £	Income £	Expenditure £	At 31 Mar 2023 £
General funds	<u>5,798</u>	<u>53,182</u>	<u>(42,459)</u>	<u>16,521</u>
	At 24 Jun 2021 £	Income £	Expenditure £	At 31 Mar 2022 £
General funds	<u>–</u>	<u>34,851</u>	<u>(29,053)</u>	<u>5,798</u>

Derochim Pathways

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

17. Analysis of charitable funds *(continued)*

Restricted funds

	At 01 Apr 2022 £	Income £	Expenditure £	At 31 Mar 2023 £
Grants receivable fund	<u>34,550</u>	<u>10,000</u>	<u>(44,550)</u>	<u>–</u>
	At 24 Jun 2021 £	Income £	Expenditure £	At 31 Mar 2022 £
Grants receivable fund	<u>–</u>	<u>35,000</u>	<u>(450)</u>	<u>34,550</u>

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,033	1,033
Current assets	16,553	16,553
Creditors less than 1 year	<u>(1,065)</u>	<u>(1,065)</u>
Net assets	<u>16,521</u>	<u>16,521</u>
	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	–	–
Current assets	41,323	41,323
Creditors less than 1 year	<u>(975)</u>	<u>(975)</u>
Net assets	<u>40,348</u>	<u>40,348</u>

19. Taxation

Derochim Pathways is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.