

**Charity registration number 215398**

**BRITISH EMUNAH FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# BRITISH EMUNAH FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mrs. R Selby, Chair of Trustees Mrs. M. Hirschfield Lady E Sacks Mr. L Markham Mr. L Shelley
<b>Charity number</b>	215398
<b>Principal address</b>	74 Grove Park London NW9 0DD
<b>Honorary Life President</b>	Lady E. Sacks
<b>Honorary President</b>	Mrs. V. Mirvis
<b>Auditor</b>	Landau Morley LLP 325-327 Oldfield Lane North Greenford Middlesex UB6 0FX
<b>Bankers</b>	Barclays Bank Pic 126 Station Road Edgware Middlesex HA8 7RY

# BRITISH EMUNAH FUND

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 26

---

# **BRITISH EMUNAH FUND**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

The Trustees present their 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 Constitution, 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 objects of the charity, as detailed in the Trust Deed, are:

- To promote, encourage and provide for and generally to organise secular and religious education in Israel in accordance with Jewish law and tradition, for those who are in need of resettlement, and to provide the necessary facilities and equipment to achieve these aims.
- To create a better everyday life and future for Israel's most vulnerable and at-risk children and families.
- To create a safe and loving environment for the children in Emunah's residential homes, high schools and day care centres.
- To enable the disadvantaged across all generations to flourish and grow by providing support, trauma therapy, education, and training in our community and therapy centres.

Our aim is to enhance and enrich the lives of those in our care and provide them with the tools to break the cycle of neglect, abuse and violence they may have experienced and help them realise their full potential and become well balanced, independent contributing members of society.

The Trust operates through a Head Office and groups throughout the United Kingdom. Funds are raised through membership, activities and appeals.

The organisation contributes to the upkeep, maintenance, and in some cases running costs of its projects in Israel.

The provision of therapeutic support is increasingly important for the well-being of the children under its care as well as the provision of the more basic needs such as hot meals provided to children in High Schools who would not otherwise be able to afford to eat.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The charitable purposes of British Emunah Fund are the advancement of education, the relief of poverty and the relief of those in need by reason of youth, financial hardship or other disadvantages.

All of the activities that are undertaken by British Emunah Fund are for the advancement of these charitable purposes and are outlined above.

#### **Volunteers**

The charity is extremely fortunate to have many dedicated and hard-working volunteers, without whom the charity would not be able to carry out its many and varied activities. Some fundraising activities are led by volunteers, who in many cases plan, prepare and are actually involved in their implementation. It is impossible to attribute a true economic value to this unpaid voluntary contribution.

# **BRITISH EMUNAH FUND**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

#### **Achievements and performance**

The charity's fundraising work in 2021 once again continued in the tradition of the wonderful women who began the charity 88 years ago. Recognising the vital needs of vulnerable children, a group of remarkable women decided that actions must speak louder than words. They showed their support for children whose lives had been devastated by the Holocaust in the most practical way - raising money and providing the basics - clothes, food, love and a safe place to live - with a dedication and passion that allowed them to achieve great things.

In the following decades, more incredible women – and men, have supported the cause and have responded to the changing needs of the Jewish State. Whenever Israel has faced war, terror attacks, waves of mass immigration and all manner of social welfare issues, British Emunah has been there to provide much needed support for disadvantaged children and families.

The wonderful Emunah Groups around the country have raised millions over the years and have been able to improve the lives of thousands of children. The Fund's generous donors and supporters have played their vital role too and thousands of young lives have been transformed as a result.

The charity helps to provide care to more than 10,000 at-risk and vulnerable children and families in Emunah day care centres, residential centres, high schools and Crisis & Intervention Centres in Israel – breaking a cycle of mental, physical, sexual and emotional abuse that these children and families have experienced, through no fault of their own.

Still battling the impact of Coronavirus, children and families in Israel have been facing an even greater crisis as a consequence of increasing missile attacks. They have not known 'normal' life for a long time, and many who have come to rely on services provided by Emunah have come from places of neglect, abuse and trauma, never knowing what most of us would consider to be 'normal'. In May/June 2021 the Emunah centres saw an increase in demand as a result of the attacks on both Southern and Central Israel.

Emergency support hotlines are provided and many of Emunah's dedicated staff are making themselves available directly to those in need - providing emotional and psychological guidance as well as suggesting ideas for keeping children and family members calm and distracted whilst they are stuck in the shelters.

They remain vigilant and on-call throughout a number of centres, including centres in Afula and Sderot, relying on urgent and generous financial assistance to help those who are vulnerable.

The Beit Rothschild building is the oldest building on the Afula campus (over seventy years old). The Centre opened its doors in 1949 and became British Emunah's first major fundraising project under the chairmanship of Ruth Sacks. It has been home to thousands of children over the years with many more attending daily. The charity has received pledges for the 1st floor refurbishment of this building, with works having started in 2021. The works were completed in early 2022.

During 2021, additional appeals were made for a major refurbishment project at the Neve Landy Children's Centre in Even Shmuel. 5 dormitories were refurbished and the outside space was redone due to water damage. In 2022, a major refurbishment of the kitchen in Neve Landy will become necessary as the facilities are no longer fit for their purpose.

The Sarah Ronson Crisis Intervention Centre in Sderot continues to provide a vital resource for people across southern Israel who have been affected by rocket attacks in the area, many of whom are suffering from Post-Traumatic Stress Disorder. Discussions are underway in respect of the expansion of this service. The new site has now been completed and was opened in March 2021.

# **BRITISH EMUNAH FUND**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

British Emunah's Food Fund aims to provide a daily meal for every child at Emunah's special schools and to provide food parcels for children to take home to their families. British Emunah provides food for the girls in two High Schools and for the 90 children who come to Sarah Herzog Children's Centre in Afula for its after-school care programme.

Because of Coronavirus restrictions, the charity's annual dinner did not take place in 2021.

A Fundraising Campaign, under the banner "Invisible but not Unseen", was arranged instead of the annual dinner - taking place on 31st October and 1st November 2021. This Campaign was conducted in memory of the late Chief Rabbi – Lord Jonathan Sacks. Messages were delivered during this Campaign from Lord Jonathan Sacks' widow, Lady Elaine Sacks, from Chief Rabbi Ephraim Mirvis, and from HE Tzipi Hotovely (the Israeli Ambassador for the United Kingdom). The Campaign was backed by many supporters, including Dame Maureen Lipman. This Fundraising Campaign raised substantial funds.

The Fund's on-line eBay shop, where donated goods can be sold throughout the world, has continued to operate successfully. This volunteer-led initiative generates significant proceeds, with volunteers helping with on-line listings, packaging and sourcing goods. The general climate of political uncertainty around Brexit has, however, had an effect on eBay sales and donations.

Income from groups continues to be an important source of funds with many dedicated members working hard to organise events across the country. The income from these groups is, however, declining on a year-on-year basis as the group members age and become less active and the nature of women's working patterns means that there are fewer women who have free time to volunteer in the way they did in the past. The charity recognises this and is working hard to find alternative income sources with more events being planned and run by Head Office.

The Charity's strategy for raising the required funds is:

1. Major fundraising functions
2. Contributions from groups, by way of their fundraising
3. Appeals at both Passover and New Year
4. Sundry smaller fundraising events
5. Legacies and Major Donor campaigns
6. The use of reserves set aside for the purpose

#### **Financial review**

The results for the year show that there were net outgoing resources of £74,031 (2020: net incoming resources of £544,413). The total incoming resources for the year were £1,154,210 (2020: £1,382,775).

#### **Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees have, however, recognised that COVID 19 has had a significant impact on the activities of the charity.

The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

# **BRITISH EMUNAH FUND**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

#### **Reserves Policy**

The Charity has an ongoing aspiration to contribute approximately £500,000 per annum towards its projects before any additional capital expenditure.

It is therefore considered prudent in the current, particularly difficult, financial times to maintain 6 months' costs in a readily realisable form to be able to honour its obligations.

At 31st December 2021, the unrestricted reserves amounted to £905,729 (2020: £725,595) and the restricted reserves amounted to £124,344 (2020: £378,509).

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

The Charity's plan for future periods is to maintain its commitment to its projects to the existing high standards and to supplement the many therapies that are vital to the rehabilitation of the abused and disadvantaged children in its care.

#### **Structure, governance and management**

The Trust Fund is governed by a Trust Deed dated 26th July 1950, amended and updated by resolution dated 19th June 2013, and the Charities Act 1993.

The charity's name was amended to British Emunah Fund and the change has been approved by the Charities Commission.

A full-time Director was appointed in 2019. The day to day running of the office is her main responsibility as well as providing professional input into the charity's fundraising activities and strategic development. The Director works closely with the Chairman and the Core Group (a sub-committee of the Executive), meeting on a weekly basis.

The full Executive meets quarterly and any recommendations regarding new capital projects or changes to existing projects are made to the Trustees for approval. Where possible, sub-committees are formed to organise fundraising activities and these committees report to the Chairman.

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

Mrs. R Selby, Chair of Trustees

Mrs. M. Hirschfield

Lady E Sacks

Mr. L Markham

Mr. L Shelley

In November 2020 the charity moved to a new office at 74 Grove Park (London NW9).

#### **Appointment of Trustees, Induction and Training**

New trustees are invited at the suggestion of existing trustees and are inducted and trained so that they fully understand the aims, objectives and the workings of the charity.

#### **Risk Policy**

Risks are classified under headings such as financial, premises, staffing and reputation. Risk assessments are carried out in order to ascertain the likelihood of a risk event occurring, of its potential impact, and whether any cost-effective mitigating action may be taken. The major risks relating to these have been identified by the executive and trustees relying on professional advice where appropriate and they are reviewed on a regular basis. The organisation has in place adequate systems accompanied by proper insurance cover which are considered adequate to mitigate major risks.


# BRITISH EMUNAH FUND

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

The trustees' report was approved by the Trustees and signed on their behalf by:

..... 

Mrs. R. Selby, Chair of Trustees  
**Trustee**

Date: ..04-07-2022.....



# **BRITISH EMUNAH FUND**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2021**

---

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 Trustees to prepare financial statements for each financial 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 year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that 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 Charity (Accounts and Reports) Regulations 2008 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.

# BRITISH EMUNAH FUND

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRITISH EMUNAH FUND

---

### Opinion

We have audited the financial statements of British Emunah Fund (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# BRITISH EMUNAH FUND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BRITISH EMUNAH FUND

---

### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements 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 statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, 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 either intend to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor 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 financial statements 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 financial statements.

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.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the directors.

The extent to which our procedures can detect irregularities, including fraud, is detailed below.

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

# BRITISH EMUNAH FUND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BRITISH EMUNAH FUND

---

- Except for any known or possible non-compliance, and as required by auditing standards, our work in respect of these included enquiry of management about company's policies, procedures, and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance.
- We tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
  - We performed analytical procedures to identify any unusual or unexpected relationships.
  - We examined supporting documents for all material balances, transactions and disclosures.
- We evaluated the selection and application of accounting policies related to subjective measurements and complex transactions
- We reviewed the minutes of meetings held by the Board of Trustees

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with 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.

**Landau Morley LLP**

**28 July 2022**

**Chartered Accountants  
Statutory Auditor**

325-327 Oldfield Lane North  
Greenford  
Middlesex  
UB6 0FX

Landau Morley LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# BRITISH EMUNAH FUND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>						
Donations and legacies	3	231,018	430,881	661,899	543,424	1,053,636
Charitable activities	4	487,480	4,380	491,860	233,775	328,553
Investments	5	451	-	451	586	586
<b>Total income</b>		<b>718,949</b>	<b>435,261</b>	<b>1,154,210</b>	<b>777,785</b>	<b>1,382,775</b>
<b>Expenditure on:</b>						
Raising funds	6	21,334	-	21,334	93,581	99,750
Charitable activities	7	312,121	894,786	1,206,907	497,603	738,612
<b>Total expenditure</b>		<b>333,455</b>	<b>894,786</b>	<b>1,228,241</b>	<b>591,184</b>	<b>838,362</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>385,494</b>	<b>(459,525)</b>	<b>(74,031)</b>	<b>186,601</b>	<b>544,413</b>
Gross transfers between funds		(205,360)	205,360	-	110,021	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>180,134</b>	<b>(254,165)</b>	<b>(74,031)</b>	<b>296,622</b>	<b>544,413</b>
Fund balances at 1 January 2021		725,595	378,509	1,104,104	428,973	559,691
<b>Fund balances at 31 December 2021</b>		<b>905,729</b>	<b>124,344</b>	<b>1,030,073</b>	<b>378,509</b>	<b>1,104,104</b>

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

All income and expenditure derive from continuing activities.

# BRITISH EMUNAH FUND

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13		20,106		25,706
Investments	14		1		1
			<u>20,107</u>		<u>25,707</u>
<b>Current assets</b>					
Debtors	15	56,719		161,862	
Cash at bank and in hand		974,715		983,225	
		<u>1,031,434</u>		<u>1,145,087</u>	
<b>Creditors: amounts falling due within one year</b>	16	(21,468)		(66,690)	
Net current assets			<u>1,009,966</u>		<u>1,078,397</u>
<b>Total assets less current liabilities</b>			<u>1,030,073</u>		<u>1,104,104</u>
<b>Income funds</b>					
Restricted funds	17		124,344		378,509
Unrestricted funds			905,729		725,595
			<u>1,030,073</u>		<u>1,104,104</u>

The financial statements were approved by the Trustees on .....

.....*R Selby*.....

Mrs. R Selby, Chair of Trustees  
Trustee

# BRITISH EMUNAH FUND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	21		(8,961)		524,053
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(16,927)	
Investment income received		451		586	
<b>Net cash generated from/(used in) investing activities</b>			451		(16,341)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(8,510)		507,712
Cash and cash equivalents at beginning of year			983,225		475,513
<b>Cash and cash equivalents at end of year</b>			974,715		983,225

# BRITISH EMUNAH FUND

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

---

### 1 Accounting policies

#### Charity information

British Emunah Fund is governed by a Trust Deed dated 26th July 1950, amended and updated by resolution dated 19th June 2013, and the Charities Act 2011. The charity's name was amended to British Emunah Fund and the change has been approved by the Charities Commission.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Constitution, 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 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, modified to include certain financial instruments at fair value. 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 support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees have, however, recognised that, due to the impact of COVID 19, there has been a significant impact on the activities of the charity.

The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

#### 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.

#### 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.



# BRITISH EMUNAH FUND

## 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 once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

# BRITISH EMUNAH FUND

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

---

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Short-term leasehold property	Over the period of the lease
Office equipment	10% on written down value
Computer equipment	25% straight line
Database	No depreciation

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 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.

#### 1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash at bank balances.

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

# BRITISH EMUNAH FUND

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

---

### 1 Accounting policies

(Continued)

#### **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.

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.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# BRITISH EMUNAH FUND

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

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	101,587	430,881	532,468	155,251	510,212	665,463
Legacies receivable	118,465	-	118,465	346,792	-	346,792
Government grant	-	-	-	7,977	-	7,977
Subscriptions	7,273	-	7,273	10,283	-	10,283
Other	3,693	-	3,693	23,121	-	23,121
	<u>231,018</u>	<u>430,881</u>	<u>661,899</u>	<u>543,424</u>	<u>510,212</u>	<u>1,053,636</u>

### 4 Charitable activities

	2021	2020
	£	£
Appeals and fundraising	437,153	285,982
Ebay shop income	54,707	42,571
	<u>491,860</u>	<u>328,553</u>
Analysis by fund		
Unrestricted funds	487,480	233,775
Restricted funds	4,380	94,778
	<u>491,860</u>	<u>328,553</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>451</u>	<u>586</u>

# BRITISH EMUNAH FUND

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

### 6 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
<u>Fundraising and publicity</u>				
Dinner	24	27,740	-	27,740
General appeals and events	21,310	65,841	6,169	72,010
	<u>21,334</u>	<u>93,581</u>	<u>6,169</u>	<u>99,750</u>
Fundraising and publicity	21,334	93,581	6,169	99,750
	<u>21,334</u>	<u>93,581</u>	<u>6,169</u>	<u>99,750</u>

Included in General appeals and events are salary costs of £NIL (2020: £10,700).

### 7 Charitable activities

	2021	2020
	£	£
Printing, postage and stationery	2,725	3,169
Ebay shop expenses	38,753	32,478
Diaries and magazines	19,976	10,161
Advertising and publicity	-	18,827
	<u>61,454</u>	<u>64,635</u>
Grant funding of activities (see note 8)	911,188	384,953
Share of support costs (see note 9)	234,265	289,024
	<u>1,206,907</u>	<u>738,612</u>
<b>Analysis by fund</b>		
Unrestricted funds	312,121	497,603
Restricted funds	894,786	241,009
	<u>1,206,907</u>	<u>738,612</u>

Included in Ebay shop expenses are salary costs of £23,700 (2020: £24,067) and rent payments of £2,772 (2020: £2,317).

### 8 Grants payable

	2021	2020
	£	£
Grants to institutions:		
Other	911,188	384,953

# BRITISH EMUNAH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

### 8 Grants payable

(Continued)

In the year, of the total grants paid, £377,078 (2020: £143,944) related to unrestricted funds and £534,110 (2020: £241,009) related to restricted funds.

For grant funding activities see attached appendix.

# BRITISH EMUNAH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	101,751	-	101,751	99,740	-	99,740
Depreciation	5,600	-	5,600	5,743	-	5,743
Accountancy and bookkeeping fees	28,163	-	28,163	30,294	-	30,294
Rent, rates and service charges	19,664	-	19,664	27,987	-	27,987
Light and heat	2,517	-	2,517	2,140	-	2,140
Telephone	3,562	-	3,562	4,080	-	4,080
Database, computer maintenance and website cost	47,189	-	47,189	19,870	-	19,870
Office stationery	787	-	787	1,245	-	1,245
Insurance	2,650	-	2,650	2,415	-	2,415
Bank charges	2,120	-	2,120	2,985	-	2,985
Travel and entertaining	64	-	64	508	-	508
Cleaning, repairs and renewals	4,362	-	4,362	1,744	-	1,744
Staff welfare, training and other	1,480	-	1,480	2,395	-	2,395
Consultancy	7,013	-	7,013	26,640	-	26,640
Moving office	-	-	-	53,470	-	53,470
Audit fees	-	7,342	7,342	-	7,768	7,768
	<u>226,922</u>	<u>7,342</u>	<u>234,264</u>	<u>281,256</u>	<u>7,768</u>	<u>289,024</u>
Analysed between						
Charitable activities	<u>226,922</u>	<u>7,342</u>	<u>234,265</u>	<u>281,256</u>	<u>7,768</u>	<u>289,024</u>

Governance costs includes payments to the auditors of £7,342 (2020: £7,768) for audit fees.

# BRITISH EMUNAH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

10	Net movement in funds	2021 £	2020 £
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	5,600	5,743

#### 11 Trustees

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

#### 12 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	5	5

##### Employment costs

	2021 £	2020 £
Wages and salaries	116,847	147,670
Social security costs	6,604	5,908
Other pension costs	1,554	1,052
	123,807	154,630

No employee received remuneration amounting to more than £60,000 during the year.  
Included in wages and salaries are redundancy payments of £12,000.

The key management personnel of the Fund comprise the Chief Executive Officer. The total employee benefits of the key management personnel of the company were £40,000 (2020: £41,706).



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

	Short-term leasehold property	Office equipment	Computer equipment	Database	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2021	24,575	72,204	41,334	18,356	156,469
At 31 December 2021	24,575	72,204	41,334	18,356	156,469
<b>Depreciation and impairment</b>					
At 1 January 2021	24,575	59,361	28,471	18,356	130,763
Depreciation charged in the year	-	1,284	4,316	-	5,600
At 31 December 2021	24,575	60,645	32,787	18,356	136,363
<b>Carrying amount</b>					
At 31 December 2021	-	11,559	8,547	-	20,106
At 31 December 2020	-	12,843	12,863	-	25,706

			<b>Other investments</b>
<b>Cost or valuation</b>			
At 1 January 2021 & 31 December 2021			1
<b>Carrying amount</b>			
At 31 December 2021			1
At 31 December 2020			1
		<b>2021</b>	<b>2020</b>
Other investments comprise:	<b>Notes</b>	<b>£</b>	<b>£</b>
Investments in subsidiaries		1	1

# BRITISH EMUNAH FUND

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

### 15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	35,594	50,722
Prepayments and accrued income	21,125	111,140
	<u>56,719</u>	<u>161,862</u>

### 16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	2,300	2,278
Other creditors	(40)	297
Accruals and deferred income	19,208	64,115
	<u>21,468</u>	<u>66,690</u>

# BRITISH EMUNAH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£	£
Restricted Funds	130,718	604,990	(247,178)	(110,021)	378,509	438,055	(534,314)	282,250
<b>DIFFERENCE TO ANALYSE</b>	-				-			(157,906)

The restricted funds have been established to provide for the upkeep, maintenance and running costs of the charity's projects in Israel.

# BRITISH EMUNAH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	20,106	-	20,106	25,706	-	25,706
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	727,716	282,250	1,009,966	699,888	378,509	1,078,397
	<u>747,823</u>	<u>282,250</u>	<u>1,030,073</u>	<u>725,595</u>	<u>378,509</u>	<u>1,104,104</u>

# BRITISH EMUNAH FUND

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

### 19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	12,500	24,710
Between two and five years	50,000	86,790
In over five years	87,500	-
	<u>150,000</u>	<u>111,500</u>

### 20 Related party transactions

The total sum donated to the charity by the Trustees and their connected charities was £8,472 (2020: £22,729).

### 21 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(74,031)	544,413
Adjustments for:		
Investment income recognised in statement of financial activities	(451)	(586)
Depreciation and impairment of tangible fixed assets	5,600	5,743
Movements in working capital:		
Decrease/(increase) in debtors	105,143	(12,537)
(Decrease) in creditors	(45,222)	(12,980)
<b>Cash (absorbed by)/generated from operations</b>	<u>(8,961)</u>	<u>524,053</u>

### 22 Analysis of changes in net funds

The Charity had no debt during the year.

**BRITISH EMUNAH FUND**  
**Grant Funding Activities**  
**for the year ended 31 December 2021**

<b>Direct Charitable Expenditure</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	
<b><u>Israel Emunah</u></b>			
	Refurbishment	-	2,552
	Sundry and contra payments	91,145	25,149
<b><u>World Emunah</u></b>			
	Annual contribution	16,002	15,783
	Sundry contribution	400	277
<b><u>Projects</u></b>			
<b>Belt Lady Brodie, Neve Shaanan, Haifa</b>			
	Refurbishment	250	-
<b>Neve Landy Children's Village, Even Shmuel</b>			
	Refurbishment	185,211	64,735
	Furniture, equipment and computer	-	8,835
	Counselling	5,500	-
	Barnitzvah present	2,000	754
	Sundry contributions	17,000	6,650
<b>Sarah Herzog Children's Centre, Afula</b>			
	Food fund	20,000	28,729
	Refurbishment at Beit Rothschild	217,367	230
<b>Neché Sara Wolfson Vocational High School, Bnei Brak</b>			
	Sundry contributions	2,603	25,637
	Food fund	40,000	45,695
<b>Rose Wilner - Netanya</b>			
	Refurbishment	-	18,710
<b>Belt Bondt, Netivot</b>			
	Beit Bondt counselling	1,822	-
<b>Nahariya Counselling Centre</b>			
	Sundry contribution	26,433	500
<b>Belt Weinstein with the Doris and Bertie Black Vocational Training School with the Samuel Silverman Community Centre Bnei Brak</b>			
	Sundry Contribution - Weinstein School - Bnei Brak	8,500	6,125
	Furniture and Computer Equipment	-	3,014
	Food fund	40,000	-
<b>Belth Elazraki</b>			
	Contra pay	51,840	25,875
<b>Sderot family counselling</b>			
	Counselling and therapy expenses	34,821	2,267
	Refurbishment	119,685	99,802
	Sundry contributions	15,026	1,650
<b>Tefillin Fund</b>			
	Sundry contributions	10,972	1,984
<b>Akko Sharet</b>			
	Refurbishment	4,611	-
		<b>911,188</b>	<b>384,953</b>