

EREZ (MANCHESTER) LIMITED
DIRECTOR'S AND TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

COMPANY NUMBER 752222 (England and Wales)
CHARITY NUMBER:234332

EREZ (MANCHESTER) LIMITED

Contents

	Page
Report of trustees and director	3
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9
Independent Examiner's Report	11

EREZ (MANCHESTER) LIMITED

REPORT OF THE TRUSTEES AND DIRECTOR FOR THE YEAR ENDED 31 AUGUST 2020

The trustees, who are also director and secretary of the company present their annual report under the Charities Act 2011 and the financial statements for the year ended 31 August 2020 and confirm that the latter comply with the requirements of the Act, the memorandum and articles of association and the Charities SORP 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

Director and Trustee	Y Reich
Secretary, Trustee and Chief Executive Officer	Y Reich
Company Number	752222
Charity Registration Number	234332
Accountants & Independent Examiners	B Olsberg & Co, Chartered Accountants, Enterprise House, 3 Middleton Road, Manchester M8 5DT
Registered Office	c/o B Olsberg & Co, Chartered Accountants Enterprise House, 3 Middleton Road, Manchester M8 5DT

The company was incorporated on 5 March 1963 and is registered with the Charity Commission.

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

The charity is incorporated as a limited company and is therefore governed by a memorandum and articles of association dated 5 March 1963 which has not been amended. The company is a wholly owned subsidiary of Machzikei Hadass Communities which is a registered charity.

GOVERNING BODY

The structure of the Charity consists of two trustees, one of whom is a director and one is a secretary. The board of Trustees is authorised to appoint new Trustees to fill vacancies arising through resignation or death of an existing trustee.

The trustees have complied with the duty in Section 4 of the 2006 Charities Act to have regard to guidance published by the Charity Commission.

TRUSTEES INDUCTION AND TRAINING

The trustees are already familiar with the practical work of the charity having received guidance from the existing trustees prior to appointment. New trustees are further encouraged to attend training sessions organised by the charity.

ORGANISATIONAL MANAGEMENT

The Trustees of the Charity, are legally responsible for the overall management and control of the Charity and meet regularly.

RISK MANAGEMENT

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

The charity is constituted as a limited company by guarantee and is therefore governed by its memorandum and articles of association. The Trustees wish to support all worthy orthodox Jewish causes and the Charity achieves its objects by making donations to Machzikei Hadass Communities Charity when requested.

The charity's objects and its principal activities are:

1. To advance education and religion in accordance with Orthodox Judaism.
2. To relieve poverty.

The Charity has acquired investment properties in order to generate income. The charity is organised so that the trustees meet regularly to manage its affairs. The charity does not employ any staff or use voluntary assistance. Administration of the charity is dealt with by the trustees.

PUBLIC BENEFIT

The trustees have referred to the guidance contained in the charity commissioners general guidance on public benefit when reviewing the trust's aim and objectives and on planning future activities and setting the grant policy for the year.

AIMS AND INTENDED IMPACT

Within these objects, the trustee's aim to provide help whether financial or otherwise to all Jewish persons and institutions in need through its parent organisation Machzikei Hadass Communities.

OBJECTIVES FOR THE YEAR

The aim this year is to continue to give support wherever needed and to provide help to even more people in need through the Machzikei Hadass Communities Charity.

STRATEGIES TO ACHIEVE THE YEAR'S OBJECTIVES

These included granting interviews and meetings with potential beneficiaries with a view to furthering their activities.

PRINCIPAL ACTIVITIES OF THE YEAR

The charity received rental income from its investment properties.

GRANT MAKING POLICY

The policy is to assist the Machzikei Hadass Communities Charity, the parent charity, by transferring monies to them in furtherance of its objects stated above.

REVIEW AND ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

FINANCIAL REVIEW

Transactions and Financial Position

The Statement of Financial Activities shows a total income of £69,036 (2019 £65,940) and rental income expenses of £26,049 leaving net income for the year of £42,987 (2019 - £6,570)

Funds available are sufficient to permit the charity to continue in operation and to support the Machzikei Hadass Communities.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Trustees consider that the performance of the charity this year has been satisfactory. The charity continued to receive rental income from its properties.

RESERVES POLICY

The trustees intend to retain reserves for the benefit of its parent charity Machzikei Hadass Communities.

INVESTMENT POLICY AND OBJECTIVES

Under the memorandum and articles of association the charity has the power to make any investment which the trustees see fit and at the balance sheet date the charity owned several properties.

Property investment of the nature held by the charity is considered by the trustees to constitute a risk free form of investment compared to other investments which are volatile and where capital is at risk depending on market trends. The trustees continue to monitor this situation.

FUTURE PLANS

The trustee's plans are to continue to invest in the property market and to add to their portfolio of income producing and low risk assets in order to increase the income and stability of the Charity with a view to increasing the level of their philanthropic activities.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the director and secretary of Erez (Manchester) Limited for the purposes of Company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

The report was approved by the board of directors and trustees on 30 September 2021 and signed on its behalf.

Y Reich
Trustee

EREZ (MANCHESTER) LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	Unrestricted Funds	Total Funds
	2020	2019
	£	£
INCOME AND EXPENDITURE		
Incoming Resources		
Rental Income	69,036	65,940
	<u>69,036</u>	<u>65,940</u>
Resources Expended	<u> </u>	<u> </u>
Renatal Income Expenses		
Rates and Council Tax and Utilities	2,101	1,694
Interest	12,062	3,907
Bank Charges	106	1,475
Management and letting fees	4,814	4,635
Legal and Professional Fees	60	2,812
Repairs and Maintenance	4,740	42,380
Accountancy	900	900
Insurance	1,223	1,524
Sundry	43	43
	<u>26,049</u>	<u>59,370</u>
Total Resources Expended	26,049	59,370
	<u> </u>	<u> </u>
Net Income Resources for the year	42,987	6,570
	<u> </u>	<u> </u>
Net movement in Funds	42,987	6,570
Balance Brought Forward	<u>771,178</u>	<u>764,608</u>
Balance Carried Forward	<u><u>814,165</u></u>	<u><u>771,178</u></u>

The company had no recognised gains or losses in 2020 or 2019 other than as shown in the Statement of Financial Activities.

EREZ (MANCHESTER) LIMITED
BALANCE SHEET AS AT 31 AUGUST 2020

		2020	2019
		£	£
Fixed Assets			
Tangible Fixed assets	2	1,413,355	999,887
Investments			
		<u>1,413,355</u>	<u>999,887</u>
 Current Assets			
Debtors		10,715	12,098
Bank		<u>85,119</u>	<u>17,086</u>
		95,834	29,184
 Creditors: Payable within one year	4	<u>40,329</u>	<u>15,998</u>
Net Current Assets/(Liabilities)		55,505	13,186
 TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,468,860</u>	<u>1,013,073</u>
 Creditors: due beyond one year	5	623,149	210,349
 Net assets		<u><u>845,711</u></u>	<u><u>802,724</u></u>
 REPRESENTED BY:			
Called Up Share Capital	6	2	2
Unrestricted Funds		814,165	771,178
Capital Redemption Reserve		31,544	31,544
		<u>845,711</u>	<u>802,724</u>

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under Section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Sections 394 and 395 of the Companies Act 2006, relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Small Entities (Effective April 2008).

Approved by the board on 30 September 2021

Y Reich
Director

EREZ (MANCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting Policies

- a. The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting and Reporting for Charities (SORP) 2005 and include the results of the Company's operations which are described in the Director's Report and all of which are continuing.
- b. Turnover comprises rental income.
- c. Unrestricted funds are donations and other income received or generated for the charitable purposes of the Charity.
- d. Grants and distributions are included in the year they are paid.

2. **Tangible fixed assets**

		Land and Buildings	Furniture Appliances and Installations	Total
	£		£	£
Valuation				
As at 1 September 2019		999,391	9,362	1,008,753
Additions		413,468		413,468
Disposals		-	-	-
As at 31 August 2020		<u>1,412,859</u>	<u>9,362</u>	<u>1,422,221</u>
Depreciation				
As at 1 September 2019		-	8,866	8,866
Charge		-	-	-
Disposals		-	-	-
As at 31 August 2020		<u>-</u>	<u>8,866</u>	<u>8,866</u>
As at 31 August 2020		<u>1,412,859</u>	<u>496</u>	<u>1,413,355</u>
As at 1 September 2019		<u>999,391</u>	<u>496</u>	<u>999,887</u>

The properties were revalued by the Trustees personally. The cost of professional valuations was considered to be unjustified.

EREZ (MANCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

3. Trustees Remuneration

No remuneration was paid to the trustees in the year, nor were any expenses reimbursed to them.

4. Creditors: Amounts falling due within 1 year	2020	2019
	£	£
Tenant Deposit	7,800	7,800
Accruals and Income received in advance	3,481	1,198
Bank Loan	23,798	7,000
Loans	<u>5,250</u>	<u>-</u>
	<u>40,329</u>	<u>15,906</u>

5. Creditors: Amounts falling due beyond one year	2020	2019
	£	£
MHC	310,500	115,000
Bank Loan	<u>312,649</u>	<u>95,349</u>
	<u>623,149</u>	<u>210,349</u>

6. Share Capital	2020	2019
	£	£
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

	2020	2019	2020	2019
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

7. Related Parties

The company is controlled by the Trustees of the Machzikei Hadass Communities who own all the shares in this company.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EREZ (MANCHESTER) LTD

I report on the accounts of the charitable company for the year ended 31 August 2020, which are set out on pages 7-10.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 and that an independent examination is needed. The Charity is required by law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants (England and Wales).

Having been satisfied that the charity is not subject to an audit under company law and is eligible for independent examination it is my responsibility to

- Examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**B OLSBERG FCA
B OLSBERG & CO
ENTERPRISE HOUSE, 3 MIDDLETON ROAD
MANCHESTER M8 5DT**

30th September 2021