

Charity Registration Number:- 235459

Machzikei Hadass Communities Group

Report and Accounts

31 August 2023

B Olsberg & Co
Chartered Accountants & Statutory Auditor
Enterprise House 3 Middleton Road
Manchester
M8 5DT

Machzikei Hadass Communities Group

Report and accounts for the year ended 31 August 2023

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Machzikei Hadass Communities Group

Trustees' Annual Report for the year ended 31 August 2023

The Trustees present their Report and Accounts for the year ended 31 August 2023.

Reference and administrative details

The charity name.

The legal name of the charity is:- The Machzikei Hadass Communities.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 235459.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as an unincorporated charity, established by Trust Deed. The governing document of the charity is the Trust Deed establishing the charity.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

Machzikei Hadass Communities Group

Trustees' Annual Report for the year ended 31 August 2023

The principal operating address is:-

17 Northumberland St.
Salford, Manchester
M7 0FE

The Trustees in office on the date the report was approved were:-

Y A Sanger, A Reich
Y M Salomon, M Brunner

The following persons served as Trustees during the year ended 31 August 2023 :-

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The Charitable Trust's objects are to further the observance of orthodox Judaism, to encourage and support the advancement of Orthodox Jewish Religious Education, to establish all institutions required by an orthodox Jewish community and any other charitable activity.

The main activities undertaken in relation to those purposes during the year.

The policy of the Charitable Trust continues to be to support these activities as follows:

- 1) The trustees own several buildings including a synagogue hall and ritual baths. These are used constantly by the Community members. They also own a cemetery.
- 2) The Trustees employ a Rabbi and various supervisory officials to ensure that the highest standard of religious requirements in all spheres of Judaism is achieved and maintained.
- 3) The Charity operates a charity fund voucher account, the surplus in which, is used for its objects.

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Trustees' Annual Report for the year ended 31 August 2023

The main activities undertaken during the year to further the charity's purpose for the public benefit.

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

The main achievements and performance of the charity during the year.

The trustees consider that the performance of the charity this year has been satisfactory. It has been able to fund its various activities and distributions as indicated in the SOFA. There were no changes in its activities.

The difference the charity's performance during the year has made to the beneficiaries of the charity, and wider society

The Charity's performance has considerably benefited the beneficiaries in the community it serves and wider afield

Investment powers and performance.

The trustees are authorised to make and hold investments using the general funds of the charity, and these are shown in the balance sheet.

Structure, governance and management of the charity

The methods used to recruit, appoint and train new charity trustees.

The Board of Trustees is authorised to appoint new Trustees to fill vacancies arising through resignation or death of an existing Trustee.

Most 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

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Trustees' Annual Report for the year ended 31 August 2023

How the subsidiary undertaking(s) is/are constituted and managed.

The charity's subsidiary Testbell Limited continued to operate providing the community with Kosher poultry. Its other subsidiary Erez (M/c) Ltd provides a regular income from its property investments.

Bankers	Royal Bank of Scotland, Manchester
Solicitors	Kuit Steinart Levy, Manchester
Auditors	B Olsberg & Co, Chartered Accountants and Registered Auditors Manchester

Financial review

The charity's financial position at the end of the year ended 31 August 2023

The financial position of the charity at 31 August 2023 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2023	2022
	£	£
Net income	(11,505)	203,962
Unrestricted Revenue Funds available for the general purposes of the charity	4,279,803	4,701,156
Unrestricted revaluation reserve	409,849	-
Total Unrestricted Funds	4,689,652	4,701,156
Total Funds	4,689,652	4,701,156

Financial review of the position at the reporting date, 31 August 2023 .

The charity provided Shechitah and Supervisory services during the year which produced an income of £180,435. Donation and subscriptions received during the year were £1,662,976. Gift aid of £360,000 was received from the charity's wholly owned subsidiary company, Testbell.

The charity paid out charitable grants totalling £1,893,893.

The charity spent £69,277 on communal services which included the cost of running and refurbishing the Mikvas. Maintenance of religious buildings, including security, was £331,543. Rabbinical and Supervisory Services were £294,016.

The cost of Management and Administration was £166,037.

The charity's surplus for the year was -£11,505 (Previous Year £203,962).

The results of the charity's subsidiaries are shown in the accounts.

Funds available are sufficient to permit the Trust to continue in operation in the medium term.

Machzikei Hadass Communities Group

Trustees' Annual Report for the year ended 31 August 2023

Policies on reserves.

The trustees always wish to retain income to provide for unforeseen contingencies and the amounts retained will fluctuate from year to year.

The amount of distributions made in any period will take into account the necessity to have these reserves available in accordance with the Trustees policy.

The amount of reserves to be held is reviewed annually.

Going Concern

The trustees consider that the going concern basis of accounting in the preparation of the financial statements is appropriate for a period of at least twelve months from the date when the financial statements are authorised for issue and that there are no material uncertainties due to the discretion in making grants and maintaining adequate reserves.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets are available and adequate to fulfil its obligations in respect of each fund.

The major risks to which the Charity is exposed and reviews and systems to mitigate them.

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. These risks include macro economic factors governing the whole economy that could expose tenants and thereby put value of the investment properties at risk with the associated knock on effect with lenders covenants. Additionally, the charity may be exposed to interest rate increases with reference to loans and their repayment.

The trustees examine the major risks that the charitable trust faces each financial year when preparing and updating its budget. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity's future.

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Trustees' Annual Report for the year ended 31 August 2023

Details of The Auditor

B Olsberg FCA

For and on behalf of B Olsberg & Co. - Registered Auditors

3 Middleton Road

Manchester

M8 5DT

Statement as to disclosure of information to auditors

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

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Trustees' Annual Report for the year ended 31 August 2023

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. 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 are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that , the report is consistent with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 28 June 2024.

A Reich
Trustee

Machzikei Hadass Communities Group

Independent Auditors' Report to the Trustees of the charity on the consolidated group accounts for the year ended 31 August 2023

Introduction

We have audited the consolidated financial statements of Machzikei Hadass Communities Group for the year ended 31 August 2023, as set out on pages 12 to 26, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Statement of Recognised Gains and Losses, the Balance Sheet and the related notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the charitable group are prepared, in all material respects, in accordance with charity law applicable within the jurisdiction of England & Wales and, in particular, the accounts have been prepared in accordance with FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, under the historical cost convention, and in accordance with the accounting policies set out on page 19, which framework constitutes the applicable United Kingdom Generally Accepted Accounting Practice.

Limitation of liability

This report is made solely to the Trustees of the charitable group, as a body, in accordance with the requirements of Section 154 of the Charities Act 2011 (The Act). Our work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume liability or responsibility to anyone other than the Trustees as a body, for our work, for this report or for the opinions we have formed.

Basis for our opinion

We have been appointed as auditors under section 144(2) of The Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (ISAs-UK), issued by the Financial Reporting Council, and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 England & Wales, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

As described on page 6, you, the charitable group's Trustees, are responsible for the preparation of the consolidated financial statements for the charitable group in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice and for being satisfied that the financial statements give a true and fair view.

The Trustees, who are charged with governance, are responsible for overseeing the charitable group's financial reporting process.

Management is responsible for the preparation of the financial statements in accordance with charity law of the jurisdiction of England & Wales and for such internal control as management determines 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, management is 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Machzikei Hadass Communities Group

Our objectives are to obtain reasonable assurance about whether the consolidated 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.

Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with relevant legal and regulatory requirements and ISAs-UK. Those standards require us to comply with the Ethical Standards for Auditors published by the Financial Reporting Council and to:-

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion;

To obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control;

To evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the charity;

To conclude on the appropriateness of the charity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern;

To evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements;

We are required to report to the Trustees our opinion as to whether the consolidated financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities (Accounts and Reports) Regulations 2008.

We are also required to report to you if, in our opinion, the Trustees' Annual Report is materially inconsistent with the financial statements, if the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We conducted our audit in accordance with ISAs-UK and in accordance with the Practice Note 'The Audit of Charities in the United Kingdom', revised in March 2012.

We are required to plan and perform our audit so as to meet the above requirements and to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In the course of our audit, we communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Machzikei Hadass Communities Group

Assistance with accountancy and tax matters

In accordance with the exemption provided by APB Ethical Standard – Provisions Available for Smaller Entities, we have prepared and submitted the charity's returns to the tax authorities and assisted with the preparation of the accounts.

Eligibility of auditor and status of audit

We confirm that we are eligible under section 144(2) of the Charities Act 2011 to conduct this audit, and that this report is a report in respect of an audit carried out under the Act and in accordance with the related regulations.

Attention is drawn to the accounting policy stating that, notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, and in order to accord with current best practice, the Trustees have determined to prepare the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP). We concur with this approach, and any references in our report to the regulations should be read subject to this comment.

Opinion on the Financial Statements

In accordance with Regulations 25(g) and (h) of the Charities (Accounts and Reports) Regulations 2008, in our opinion the charity's financial statements:

Give a true and fair view of the state of affairs of the charitable group as at 31 August 2023 and of its Income and Expenditure for the financial year then ended and, in particular, the financial statements have been properly prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to entities of its size and have been properly prepared in accordance with the requirements of the Charities Act 2011; and
have been prepared in accordance with the methods and principles required by the FRS102 Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission in England & Wales (CCEW), effective January 2015 (The SORP), and those methods and principles have been followed.

Machzikei Hadass Communities Group

Matters upon which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, if in our opinion:

the charitable group has not kept adequate accounting records; or

the financial statements are not in agreement with the accounting records and returns; or

if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

we have not received all the information and explanations we require for our audit.

Signed:-

B Olsberg FCA - Senior Statutory Auditor

For and on behalf of B Olsberg & Co. - Registered Auditors

Chartered Accountants and Registered Auditors

3 Middleton Road
Manchester
M8 5DT

This report was signed on 28 June 2024

Machzikei Hadass Communities Group - Consolidated Statement of Financial Activities for the year ended 31 August 2023

Consolidated Statement of Financial Activities for the year ended 31 August 2023

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2023 £	2023 £	2023 £	2022 £
Income & Endowments from:					
Donations & Legacies	23	1,798,564	-	1,798,564	1,726,802
Charitable activities	24	3,548,101	-	3,548,101	3,244,513
Investments	26	9,636	-	9,636	53,601
Other	27	-	-	-	44,346
Total income		5,356,301	-	5,356,301	5,069,262
Expenditure on:					
Charitable activities	33	5,777,655	-	5,777,655	4,865,300
Total expenditure		5,777,655	-	5,777,655	4,865,300
Net income for the year		(421,354)	-	(421,354)	203,962
Net income after transfers		(421,354)	-	(421,354)	203,962
Other recognised gains/(losses)					
Net gains on revaluation of fixed assets		409,849	-	409,849	-
Net movement in funds		(11,505)	-	(11,505)	203,962
Reconciliation of funds:-					
Total funds brought forward		4,701,156	-	4,701,156	4,497,194
Total funds carried forward		4,689,651	-	4,689,651	4,701,156

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group - Consolidated Statement of Financial Activities for the year ended 31 August 2023

Consolidated Statement of Total Recognised Gains and Losses for the year ended 31 August 2023

	2023 £	2022 £
Surplus for the year :-		
Net excess of income over expenditure from operations before tax	(421,354)	159,616
Realised gains/(losses) on the disposal of tangible fixed assets	-	44,346
Realised gains on disposals of social investments which are programme related	-	-
Income from operations before tax in the Statement of Financial Activities	(421,354)	203,962
Add/(deduct) non income and expenditure items:-		
Gains on the revaluation of tangible fixed assets	409,849	-
Gains and losses on revaluation of fixed and intangible assets	409,849	-
Net Movement in funds before taxation	398,344	203,962
Funds generated in the year as shown on Statement of Financial Activities	398,344	203,962

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group - Group Resources applied in the year ended 31 August 2023 towards fixed assets for Charity use:-

	2023 £	2022 £
Funds generated in the year as detailed in the SOFA	(11,505)	203,962
Resources applied on functional fixed assets	(316,600)	(144,684)
Other applications of funds	-	-
Net resources available to fund charitable activities	(328,105)	59,278

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group - Consolidated Statement of Financial Activities for the year ended 31 August 2023

Consolidated movements in revenue and capital funds for the year ended 31 August 2023

Revenue accumulated funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last year Total Funds 2022 £
Accumulated funds brought forward	4,701,156	-	4,701,156	4,497,194
Recognised gains and losses before transfers	(421,354)	-	(421,354)	203,962
	4,279,802	-	4,279,802	4,701,156
Closing revenue funds	4,279,802	-	4,279,802	4,701,156

Consolidated Revaluation Reserve Fund

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last year Total Funds 2022 £
At 1 September	-	-	-	-
Net gains on revaluation of fixed assets	409,849	-	409,849	-
At 31 August	409,849	-	409,849	-

Summary of consolidated funds

	Unrestricted and Designated funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last Year Total Funds 2022 £
Revenue accumulated funds	4,279,802	-	4,279,802	4,701,156
Revaluation reserve fund	409,849	-	409,849	-
Total funds	4,689,651	-	4,689,651	4,701,156

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group - Consolidated Statement of Financial Activities for the year ended 31 August 2023

Machzikei Hadass Communities Group

Consolidated Income and Expenditure Account for the year ended 31 August 2023

	2023	2022
	£	£
Income		
Income from operations	5,346,665	4,971,315
Investment income and interest		
Income from investments, other than interest receivable	6,178	53,343
Interest receivable	3,458	258
Gross income in the year before exceptional items	5,356,301	5,024,916
Exceptional items:		
Realised gains on disposals of tangible fixed assets	-	44,346
Gross income in the year including exceptional items	5,356,301	5,069,262
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	5,731,901	4,825,946
Depreciation and amortisation	6,120	7,363
Governance costs	12,000	12,000
Interest payable	27,634	19,991
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	5,777,655	4,865,300
Net income before tax in the financial year	(421,354)	203,962
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	(421,354)	203,962
Retained surplus for the financial year	(421,354)	203,962

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group - Balance Sheet as at 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	10	4,604,968	3,884,639
Current assets			
Stocks		20,000	20,000
Debtors	12	1,075,495	769,943
Cash at bank and in hand		540,375	1,159,124
Total current assets		<u>1,635,870</u>	<u>1,949,067</u>
Creditors: amounts falling due within one year	13	<u>(847,900)</u>	<u>(406,494)</u>
Net current assets		787,970	1,542,573
		<u>5,392,938</u>	<u>5,427,212</u>
Net assets			
Creditors: amounts falling due after more than one year	14	(703,287)	(726,056)
The total net assets of the charity		<u>4,689,651</u>	<u>4,701,156</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds

- -

Unrestricted Funds

Unrestricted Revenue Funds	21	4,279,802	4,701,156
Unrestricted Revaluation Reserve	21	<u>409,849</u>	<u>-</u>
		4,689,651	4,701,156

Designated Funds

Total charity funds		<u>4,689,651</u>	<u>4,701,156</u>
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The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charitable group is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 11.

A Reich

Trustee

Approved by the board of trustees on 28 June 2024

The notes attached on pages 19 to 26 form an integral part of these accounts.

Machzikei Hadass Communities Group

Consolidated Cash Flow Statement for the year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash provided by operating activities as shown below	<u>(280,142)</u>	<u>(135,298)</u>
<i>Cash flows from investing activities</i>		
Interest received	3,458	258
Other investment income, including rents from investments	6,178	53,343
Proceeds from sales of investments	210,143	44,346
Purchase of property, plant and equipment	(526,743)	(100,338)
Net cash provided by investing activities	<u>(306,964)</u>	<u>(2,391)</u>
<i>Cash flows from financing activities</i>		
Repayment of amounts borrowed	(31,643)	(50,020)
Net cash provided by financing activities	<u>(31,643)</u>	<u>(50,020)</u>
Overall cash provided by all activities	<u>(618,749)</u>	<u>(187,709)</u>
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 August 2023	(618,749)	(187,709)
Cash and cash equivalents at 1 September 2022	1,159,124	1,346,833
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash at bank and in hand less overdrafts at 31 August	<u>540,375</u>	<u>1,159,124</u>

Machzikei Hadass Communities Group

Consolidated Cash Flow Statement for the year ended 31 August 2023

Machzikei Hadass Communities Group

Cash Flow Statement for the year ended 31 August 2023 - Continued

Reconciliation of net income to net cash flow from operating activities

Net income as shown in the Statement of Financial Activities	(421,354)	203,962
Adjustments for :-		
Depreciation charges	6,120	7,363
Write downs of investments	-	-
Net unrealised losses on investment assets	-	-
Dividends, interest and rents from investments	(9,636)	(53,601)
Profit on the sale of Fixed and Intangible Assets	-	(44,346)
Decrease in debtors	(305,552)	(143,778)
Increase in creditors, excluding loans	450,280	(104,898)
Net cash provided by operating activities	(280,142)	(135,298)

Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand at for the year ended 31 August 2023	540,375	1,159,124
Total cash and cash equivalents	540,375	1,159,124

Machzikei Hadass Communities Group

Cash Flow Statement for the year ended 31 August 2023 - Continued

Analysis of change in net debt

	At start	Cash	At end
	of year	Flows and	of year
Cash	1,159,124	(618,749)	540,375
		(618,749)	540,375
Loans falling due within one year	(98,516)	8,874	(89,642)
Loans falling due after more than one year	(726,056)	-	(726,056)
Total	334,552	(609,875)	(275,323)

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Control of Group

The parent charity has concluded that control exists over its subsidiaries.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31st August 2023, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Gift Aid Donations from subsidiaries

FRS 102 requires gift aid payments from subsidiaries to be accounted for consistently with dividends. FRS 102 requires dividends to be recognised when the shareholder's right to receive payment is established. The parent charity's right to receive payment is established when the subsidiary has a legal obligation to distribute its profits to its owners at the reporting date. Therefore, the gift aid payment is not accrued in these individual accounts of the parent charity unless a legal obligation for the subsidiary to make the payment exists at the reporting date.

Policies relating to expenditure on goods and services provided to the charity.

Policies relating to assets, liabilities and provisions and other matters.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0 % straight line
Leasehold premises	2 % straight line
Plant and machinery	20 % straight line
Motor vehicles	20 % straight line

A regular annual review of the likelihood of asset impairment is undertaken.

No depreciation is provided on freehold property and improvements because it is the practice to maintain the property in a continual state of sound repair. Accordingly, the life is so long and the residual value so high that the Trustees consider that depreciation calculated in accordance with accepted accounting standards would be immaterial.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

There are no endowment funds.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

4 Significance of financial instruments to the charity's position

There are no significant implications of financial instruments to the charity's financial position or performance, and the related risks, for example the terms and conditions of loans, or the use of hedging to manage financial risk.

5 Net surplus before tax in the financial year

	2023	2022
	£	£

The net surplus before tax in the financial year is stated after charging:-

Depreciation of owned fixed assets	6,120	7,363
Auditors' remuneration	12,000	12,000

6 Interest payable

	2023	2022
	£	£

Loan interest	27,634	19,991
---------------	--------	--------

7 Gains and losses on revaluation of fixed and intangible assets

Current year

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Revaluation of :-				
Property	409,849	-	409,849	-
	409,849	-	409,849	-

8 Staff costs and emoluments

Salary costs	2023	2022
	£	£
Administration Salaries	26,500	26,500
Total salaries, wages and related costs	26,500	26,500
Additional Wages included in Rabbinical and Supervisory Services	210,165	220,081

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

9 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

10 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 September 2022	3,855,401	101,507	11,779	3,968,687
Additions	524,883	1,860	-	526,743
Surplus on revaluation	409,849	-	-	409,849
Disposals	(210,143)	-	-	(210,143)
At 31 August 2023	4,579,990	103,367	11,779	4,695,136
Depreciation				
At 1 September 2022	-	74,391	9,657	84,048
Charge for the year	-	5,696	424	6,120
At 31 August 2023	-	80,087	10,081	90,168
Net book value				
At 31 August 2023	4,579,990	23,280	1,698	4,604,968
At 31 August 2022	3,855,401	27,116	2,122	3,884,639

<i>Prior Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
01 September 2021	3,770,563	86,007	11,779	3,868,349
Additions	84,838	15,500	-	100,338
31 August 2022	3,855,401	101,507	11,779	3,968,687
Depreciation				
01 September 2021	-	67,736	8,949	76,685
Charge for the year	-	6,655	708	7,363
31 August 2022	-	74,391	9,657	84,048
Net book value				
31 August 2022	3,855,401	27,116	2,122	3,884,639
31 August 2021	3,770,563	18,271	2,830	3,791,664

Investment property is valued by professionals, or by the trustees who have experience in property valuations.

11 Stocks & Work in Progress	2023	2022
	£	£
Stocks before write downs	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

Analysis of the carrying value of stocks and work in progress by activities

	Work in Progress		Stocks	
	2023	2022	2023	2022
	£	£	£	£
Activity				
Charitable Activities	-	-	20,000	20,000
	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

12 Debtors

	2023	2022
	£	£
Trade debtors	1,053,591	748,039
Prepayments and accrued income	11,149	11,149
Other debtors	10,755	10,755
	1,075,495	769,943

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	89,642	98,516
Trade creditors	338,570	267,789
Accruals	20,316	20,059
PAYE, NIC VAT and other taxes	1,250	1,250
Other creditors	398,122	18,880
	847,900	406,494

14 Creditors: amounts falling due after one year

	2023	2022
	£	£
Bank loans and overdrafts	703,287	726,056

15 Loans to trustees included in debtors

There were no loans made to trustees.

16 Guarantees made by the charity on behalf of trustees

There were no guarantees made for trustees.

17 Revaluation reserve

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Current year				
At 1 September 2022	-	-	-	-
Arising on revaluation during the year	409,849	-	409,849	-
At 31 August 2023	409,849	-	409,849	-

18 Income and Expenditure account summary

	2023	2022
	£	£
At 1 September 2022	4,701,156	4,497,194
Surplus after tax for the year	(421,354)	203,962
At 31 August 2023	4,279,802	4,701,156

19 Related party transactions

Gift aid totalling £360,000 was payable by Testbell Ltd to its parent Machzikei Hadass Communities. At the year end Machzikei Hadass Communities was owed £333,625 from its subsidiary Testbell Ltd and £523,560 from its subsidiary Erez (M/C) Ltd.

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

20 Particulars of how particular funds are represented by assets and liabilities

At 31 August 2023	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	4,604,968	-	-	4,604,968
Current Assets	1,635,870	-	-	1,635,870
Current Liabilities	(847,900)	-	-	(847,900)
Long Term Liabilities	(703,287)	-	-	(703,287)
	4,689,651	-	-	4,689,651

At 1 September 2022	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	3,884,639	-	-	3,884,639
Current Assets	1,949,067	-	-	1,949,067
Current Liabilities	(406,494)	-	-	(406,494)
Long Term Liabilities	(726,056)	-	-	(726,056)
	4,701,156	-	-	4,701,156

21 Change in total funds over the year as shown in Note 20 , analysed by individual funds

	Funds brought forward from 2022	Movement in funds in 2023	Transfers between funds in 2023	Funds carried forward to 2024
	£	See Note 22 £	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	4,701,156	(421,354)	-	4,279,802
Unrestricted Revaluation Reserve	-	409,849	-	409,849
Total unrestricted and designated funds	4,701,156	(11,505)	-	4,689,651
Total charity funds	4,701,156	(11,505)	-	4,689,651

Machzikei Hadass Communities Group

Notes to the Accounts for the year ended 31 August 2023

22 Analysis of movements in funds over the year as shown in Note 21

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2023	2023	2023	2023
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	5,356,301	(5,777,655)	-	(421,354)
Unrestricted Revaluation Reserve	-	-	409,849	409,849
	5,356,301	(5,777,655)	409,849	(11,505)

23 The purposes for which the funds

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.

24 Ultimate controlling party

The charity is under the control of its trustees.

Machzikei Hadass Communities Group

Detailed analysis of income and expenditure for the year ended 31 August 2023 as required by the SORP 2015

This analysis is classssified by conventional nominal descriptions and not by activity.

25 Donations, Grants and Legacies

	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
Donations and gifts from individuals				
Sundry Donors	1,662,976	-	1,662,976	1,590,977
Total donations and gifts from individuals	1,662,976	-	1,662,976	1,590,977
	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
Revenue grants from government and public bodies				
Community Security Trust	135,588	-	135,588	135,825
Total public sector revenue grants	135,588	-	135,588	135,825
Total Donations, Grants and Legacies	1,798,564	-	1,798,564	1,726,802

Machzikei Hadass Communities Group

Detailed analysis of income and expenditure for the year ended 31 August 2023 as required by the SORP 2015

26 Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total funds
	2023	2023	2023	2022
	£	£	£	£
Primary purpose and ancillary trading				
Trading Income - Subsidiary	3,367,666	-	3,367,666	2,966,492
Shechita and Supervision	180,435	-	180,435	278,021
Total Primary purpose and ancillary trading	3,548,101	-	3,548,101	3,244,513

27 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Total income from charitable trading	3,548,101	-	3,548,101	3,244,513
Total from charitable activities	3,548,101	-	3,548,101	3,244,513

28 Investment income

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Property Rental Income (Net)	6,178	-	6,178	53,343
Bank Interest Receivable	3,458	-	3,458	258
Total investment income	9,636	-	9,636	53,601

29 Other income and gains

<i>Current year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Realised gains on disposals of tangible fixed assets	-	-	-	44,346
Total other income	-	-	-	44,346

Machzikei Hadass Communities Group

Detailed analysis of income and expenditure for the year ended 31 August 2023 as required by the SORP 2015

30 Expenditure on charitable activities - Direct spending

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2023	2023	2023	2022
		£	£	£	£
Communal Services	38	69,277	-	69,277	97,475
Maintenance of Religious Buildings	38	331,543	-	331,543	347,145
Rabbinical and Supervisory Services	38	294,016	-	294,016	251,045
Total direct spending		694,836	-	694,836	695,665

31 Expenditure on charitable activities - Charitable trading

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2023	2023	2023	2022
		£	£	£	£
Total costs of Subsidiary Activities		3,022,889	-	3,022,889	2,623,058
Total charitable trading costs		3,022,889	-	3,022,889	2,623,058

32 Expenditure on charitable activities- Grant funding of activities

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2023	2023	2023	2022
		£	£	£	£
Grants made to organisations		1,893,893	-	1,893,893	1,374,260
Total grantmaking costs		1,893,893	-	1,893,893	1,374,260

Breakdown of Grants made to organisations

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds
<i>Current Year</i>		2023	2023	2023
		£	£	£
Sundry Donations		1,893,893	-	1,893,893
		1,893,893	-	1,893,893

Breakdown of Grants made to organisations

		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
<i>Prior Year</i>		2022	2022	2022
		£	£	£
Sundry Donations		1,374,260	-	1,374,260
		1,374,260	-	1,374,260

Machzikei Hadass Communities Group

Detailed analysis of income and expenditure for the year ended 31 August 2023 as required by the SORP 2015

33 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
<i>Employee costs not included in direct costs</i>				
Salaries - Administrative staff	26,500	-	26,500	26,500
<i>Premises Expenses</i>				
Property insurance	4,500	-	4,500	4,500
Utilities	14,000	-	14,000	14,000
<i>Administrative overheads</i>				
Telephone, internet and computer	19,339	-	19,339	12,000
Stationery, printing and advertising	22,642	-	22,642	27,465
Sundry expenses	5,404	-	5,404	2,797
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Other legal and professional	23,884	-	23,884	40,013
<i>Financial costs</i>				
Bank charges	4,014	-	4,014	5,688
Loan interest	27,634	-	27,634	19,991
Depreciation & Amortisation in total for	6,120	-	6,120	7,363
	154,037	-	154,037	160,317
Total support costs	154,037	-	154,037	160,317

The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

34 Other Expenditure - Governance costs

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2023	2023	2023	2022
	£	£	£	£
Auditor's fees	12,000	-	12,000	12,000
Total Governance costs	12,000	-	12,000	12,000

All the expenditure in the prior year was unrestricted.

Machzikei Hadass Communities Group

Detailed analysis of income and expenditure for the year ended 31 August 2023 as required by the SORP 2015

35 Total Charitable expenditure

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2023	2023	2023	2022
		£	£	£	£
Current Year					
Total direct spending	38	694,836	-	694,836	695,665
Total charitable trading costs		3,022,889	-	3,022,889	2,623,058
Total grantmaking costs		1,893,893	-	1,893,893	1,374,260
Total support costs		154,037	-	154,037	160,317
Total Governance costs		12,000	-	12,000	12,000
Total charitable expenditure		5,777,655	-	5,777,655	4,865,300

All the expenditure in the prior year was unrestricted.

	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2022	2022	2022
	£	£	£
Prior Year			
Total direct spending	695,665	-	695,665
Total charitable trading costs	2,623,058	-	2,623,058
Total grantmaking costs	1,374,260	-	1,374,260
Total support costs	160,317	-	160,317
Total Governance costs	12,000	-	12,000
Total charitable expenditure	4,865,300	-	4,865,300

34 Income and Expenditure Per Entity

	MHC	Erez (M/c) Ltd	Testbell Ltd	Total
Charitable Income etc	1,798,564			1,798,564
Income from activities	180,435		3,367,666	3,548,101
Investment Income	3,458	38,218		41,676
Gain		-		-
	<u>1,982,457</u>	<u>38,218</u>	<u>3,367,666</u>	<u>5,388,341</u>
Charitable Expenditure	2,754,766			2,754,766
Trading Expenditure			3,022,889	3,022,889
Rental Expenses		32,040		32,040
Total Expenditure	<u>2,754,766</u>	<u>32,040</u>	<u>3,022,889</u>	<u>5,809,695</u>
Net	(772,309)	6,178	344,777	(421,354)
Gift Aid	360,000		(360,000)	-
(Deficit)/Surplus	<u>(412,309)</u>	<u>6,178</u>	<u>(15,223)</u>	<u>(421,354)</u>

Machzikei Hadass Communities Group

Activity analysis of Income and expenditure for the for the year ended 31 August 2023

This analysis is classsified by activity and not by conventional nominal descriptions.

36 Analysis of income by activity

	2023 £	2022 £
Activity		
Income from charitable activities		
Charitable Activities	3,548,101	3,244,513
Summary of Total Income, including the items above		
Charitable activities	3,548,101	3,244,513
Donations & Legacies	1,798,563	1,726,802
Investment income	9,636	53,600
Other income	-	44,346
Total income as shown in the SOFA	5,356,300	5,069,261
Categories of income		
Income from non exchange transactions	5,350,589	5,069,261
Income from exchange transactions	5,711	-
	5,356,300	5,069,261

37 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2023 £	2023 £	2023 £	2023 £	2022 £
Charitable Activities					
Direct costs (see below)	694,836	-	-	694,836	695,665
Charitable trading costs (subsidiary)	3,022,889	-	-	3,022,889	2,623,058
Employee costs not included in direct cost	-	26,500	-	26,500	26,500
Premises expenses	-	18,500	-	18,500	18,500
Administrative overheads	-	47,385	-	47,385	42,261
Professional fees	-	23,884	-	23,884	40,013
Financial costs	-	37,769	-	37,769	33,043
Total Charitable Activities	3,717,725	154,038	-	3,871,763	3,479,040
	Direct costs	Support costs	Grant funding of activities	Total	Total
	2023 £	2023 £	2023 £	2023 £	2022 £
Grant Making					
Grantmaking costs	-	-	1,893,893	1,893,893	1,374,260

Machzikei Hadass Communities Group

Activity analysis of Income and expenditure for the for the year ended 31 August 2023

Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Total Charitable Activities	3,717,725	154,038	-	3,871,763	3,479,040
Total Grant Making	-	-	1,893,893	1,893,893	1,374,260
Total Governance costs	-	12,000	-	12,000	12,000
Total charitable expenditure	3,717,725	166,038	1,893,893	5,777,656	4,865,300

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 35

Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable Activities	12,000	37,769	26,500	89,769	166,038

Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Grant Making	1,893,893	-	-	1,893,893	1,374,260
	1,893,893	-	-	1,893,893	1,374,260

Fuller details of grants made and related costs, including support costs, are shown in note 32.

38 Analysis of non charitable expenditure by activity

Activity

Governance costs	Governance costs 2023	Governance costs 2022
	£	£
Other Expenditure - Governance costs as detailed in Note 34	12,000	12,000

38 Analysis of Direct Costs

	Community Services	Maintenance of Religious Buildings	Rabbinical & Supervisory Services	2023 Totals	2022 Totals
Salaries, Fees and Commission		11,500	245,641	257,141	195,165
Insurance		11,702		11,702	26,844
Utilities	54,652			54,652	41,132
Travel			48,375	48,375	67,380
Requisites and Sundry	3,632			3,632	7,410
Repairs & Renewals		38,060		38,060	50,057
Security		130,536		130,536	125,931
Functions and Catering	9,860			9,860	47,549
Mikva Expenses		139,745		139,745	132,813
Sundry	1,133			1,133	1,384
Total Resources Expended -	69,277	331,543	294,016	694,836	695,665