

**SEPHARDI KASHRUT AUTHORITY
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

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**REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 OCTOBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 October 2021. The trustees have adopted the provisions of 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

Objectives and aims

The Sephardi Kashrut Authority aims to uphold Jewish religious requirements by ensuring the due supervision (where such supervision is sought) of Kashrut in connection with food dispensed or manufactured.

Significant activities

In relation to these objectives, the charity has continued to certify and supervise a range of restaurants, bakeries, hotels, caterers and food manufacturers in compliance with Kashrut.

Public benefit

The trustees have complied with their duty to have due regard to the public benefit guidance published by the Charity Commission in exercising their powers or duties.

Grantmaking

A grant made to an outside body must be matched by an equivalent grant to the Spanish & Portuguese Jews' Congregation. Grants to outside bodies must be for the educational promotion of Kashrut (Jewish dietary laws).

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year, the charity has provided supervision to approximately 30 establishments and businesses. This supervision ensures the continued availability of certified Kashrut compliant food to the Jewish community.

Whilst providing this supervision, the charity has also successfully maintained adequate reserves to ensure the continued provision of its' charitable services for the foreseeable future.

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level to cover administration costs for a period of at least eighteen months.

There are no restrictions on the charity's power to invest.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Sephardi Kashrut Authority was established under and by the Authority of the Hakham and his Ecclesiastical Authority. Its constitution was adopted on 15th July 1969 and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

Officers and committee members are recruited based on their knowledge, skills and adherence to the charity's objectives.

**REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 OCTOBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Officers and committee

The Chairman is appointed for a period of three years and he may put himself forward for re-appointment. The Board of Elders, the ruling body of the Spanish and Portuguese Jews' Congregation, must approve the Chairman's appointment. Members of the Authority who are not ex officio or co-opted are elected for a period of two years, by the Yehidim (members) of the Spanish and Portuguese Jews' Congregation. The Officers meet at least four times a year.

The officers and committee members give of their time voluntarily, and no remuneration or expenses were paid to them in the year.

Policy decisions are made by the executive committee who instruct the executive director to put these into action.

The charity is administered on a day-to-day basis by its director of licencing.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

259337

Principal address

2 Ashworth Road
London
W91JY

Trustees

Mrs S Kandel (resigned 26.3.21)
R J Kandel
A Tricot (Honorary Chairman)
D Kessler (resigned 26.3.21)
J Cohen
J Bekhor (Honorary Treasurer) (resigned 26.3.21)
J M Silberstein (Honorary Treasurer) (appointed 26.3.21)
A J Aaron (appointed 26.3.21)
SC Simon (appointed 26.3.21)

Independent Examiner

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

Director of licencing

Aaron Isaac (resigned 13.6.22)
David Neifeld (appointed 15.7.22)

Approved by order of the board of trustees on 28 July 2022 and signed on its behalf by:

A Tricot (Honorary Chairman) - Trustee

SEPHARDI KASHRUT AUTHORITY

Independent examiner's report to the trustees of Sephardi Kashrut Authority

I report to the trustees on my examination of the accounts of Sephardi Kashrut Authority for the year ended 31 October 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London
NW6 2EG

28 July 2022

SEPHARDI KASHRUT AUTHORITY

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 October 2021

	Note	Unrestricted funds £	2021 Total funds £	2020 Total funds £
Income from:				
Donations		10	10	-
<i>Charitable activities:</i>	3			
Supervision		163,300	163,300	129,159
Investment income	4	5	5	81
Other income		14,753	14,753	19,944
Total income		178,068	178,068	149,184
Expenditure on:				
<i>Charitable activities:</i>				
Education	5	182,058	182,058	241,598
Total expenditure		182,058	182,058	241,598
Net (expenditure)/income / for the year		(3,990)	(3,990)	(92,414)
Transfers between funds		-	-	-
Net movement in funds	6	(3,990)	(3,990)	(92,414)
Reconciliation of funds:				
Total funds brought forward		3,484	3,484	95,898
Total funds carried forward		(506)	(506)	3,484

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

SEPHARDI KASHRUT AUTHORITY**Balance sheet****As at 31 October 2021**

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	9		<u>927</u>		<u>1,577</u>
			927		1,577
Current assets:					
Debtors	10	85,306		42,293	
Cash at bank and in hand		<u>48,885</u>		<u>54,327</u>	
		134,191		96,620	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>135,624</u>		<u>94,713</u>	
Net current (liabilities)/ assets			<u>(1,433)</u>		<u>1,907</u>
Total net (liabilities)/ assets			<u>(506)</u>		<u>3,484</u>
Funds					
Unrestricted funds:	12				
General funds		<u>(506)</u>		<u>3,484</u>	
Total unrestricted funds			<u>(506)</u>		<u>3,484</u>
Total funds			<u>(506)</u>		<u>3,484</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28 July 2022 and were signed on its behalf by:

A Tricot (Honorary Chairman)
Trustee



J M Siberstein (Honorary Treasurer)
Trustee

The attached notes form part of the financial statements.

SEPHARDI KASHRUT AUTHORITY
Notes to the financial statements
For the year ended 31 October 2021

1 Accounting policies

a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

e) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	25% on cost
Computer equipment	33.3% on cost

f) Debtors

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

g) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

j) Pension costs and other post-retirement benefits

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the year to which they relate.

SEPHARDI KASHRUT AUTHORITY
Notes to the financial statements
For the year ended 31 October 2021

2 Detailed comparatives for the statement of financial activities

	2020 Unrestricted funds £	2020 Total funds £
Income from:		
Charitable activities:		
Supervision	129,159	129,159
Investment income	81	81
Other income	19,944	19,944
Total income	149,184	149,184
Expenditure on:		
Charitable activities:		
Supervision	241,598	241,598
Total expenditure	241,598	241,598
Net expenditure/ income	(92,414)	(92,414)
Transfers between funds	-	-
Net movement in funds	(92,414)	(92,414)
Total funds brought forward	95,898	95,898
Total funds carried forward	3,484	3,484

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Supervision	163,300	-	163,300	129,159
	163,300	-	163,300	129,159

4 Investment income

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Interest	5	-	5	81
Total investment income	5	-	5	81

SEPHARDI KASHRUT AUTHORITY
Notes to the financial statements
For the year ended 31 October 2021

5 Analysis of expenditure

	<u>Charitable activities</u> £	<u>2021 Total</u> £	<u>2020 Total</u> £
<u>Charitable activities</u>			
Wages	86,509	86,509	50,496
Employer's national insurance	4,186	4,186	2,245
Pensions	807	807	257
Freelance staff	22,757	22,757	42,157
Training	115	115	320
Bad debts	(8,570)	(8,570)	5,388
Advertising	164	164	990
Travel and office expenses	4,649	4,649	1,184
Sundries	2,613	2,613	1,170
<u>Support costs</u>			
Wages	53,850	53,850	89,650
Employer's national insurance	4,512	4,512	8,233
Pensions	893	893	1,446
Travelling	-	-	3,374
Depreciation of computer equipment	650	650	376
Bank charges	114	114	349
Telephone and internet	2,446	2,446	2,138
Printing, postage & stationery	2,045	2,045	1,523
Computer expenses & software	443	443	692
Payroll administration	955	955	26,250
Legal and professional fees	-	-	1,380
Independent examiner's fee	2,920	2,920	1,980
	-		
Total expenditure 2021	182,058	182,058	
Total expenditure 2020	-	-	241,598

SEPHARDI KASHRUT AUTHORITY
Notes to the financial statements
For the year ended 31 October 2021

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2021	2020
	£	£
Depreciation	650	376
Independent examination	2,920	1,980

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

There were no trustees' remuneration or other benefits for the year ended 31 October 2021 nor for the year ended 31 October 2020.

There were no trustees' expenses paid for the year ended 31 October 2021 nor for the year ended 31 October 2020.

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	140,359	140,146
Social security costs	8,698	10,478
Employer's contribution to defined contribution pension schemes	1,700	1,703
	150,757	152,327

The trustees did not receive any remuneration during the year (2020: Nil).

The total employee benefits including pension contributions of the key management personnel were £38,247.

No employees received emoluments in excess of £60,000.

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Supervision	13	9
	13	9

8 Taxation

The charity is exempt from income tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	728	7,126	7,854
Additions in year	-	-	-
Disposals in year	-	-	-
At the end of the year	728	7,126	7,854
Depreciation			
At the start of the year	728	5,549	6,277
Charge for the year	-	650	650
Eliminated on disposal	-	-	-
At the end of the year	728	6,199	6,927
Net book value			
At the end of the year	-	927	927
At the start of the year	-	1,577	1,577

All of the above assets are used for charitable purposes.

SEPHARDI KASHRUT AUTHORITY
Notes to the financial statements
For the year ended 31 October 2021

10 Debtors

	2021	2020
	£	£
Trade debtors	50,337	22,349
Other debtors	34,969	19,944
	<u>85,306</u>	<u>42,293</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	33,243	30,350
Taxation and social security	5,692	2,107
Other creditors	96,689	62,256
	<u>135,624</u>	<u>94,713</u>

12 Analysis of net assets between funds

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	927	-	-	927
Net current (liabilities)	(1,433)	-	-	(1,433)
Net (liabilities) at the end of the year	<u>(506)</u>	<u>-</u>	<u>-</u>	<u>(506)</u>

12a Analysis of net assets between funds (prior year)

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	1,577	-	-	1,577
Net current assets	1,907	-	-	1,907
Net assets at the end of the year	<u>3,484</u>	<u>-</u>	<u>-</u>	<u>3,484</u>

13 Analysis of cash and cash equivalents

	At 1 Nov 2020	Cash flows	Other changes	At 31 Oct 2021
	£	£	£	£
Cash at bank and in hand	54,327	(5,442)	-	48,885
Total cash and cash equivalents	<u>54,327</u>	<u>(5,442)</u>	<u>-</u>	<u>48,885</u>

14 Legal status of the charity

The charity is an unincorporated charitable trust.

15 Related party transactions

At the year end the charity owed the Spanish and Portuguese Jews' Congregation £70,237 (2020 - £48,437).