

KEREN HATZOLO
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Sugarwhite Meyer Accountants Ltd
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KEREN HATZOLO

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11

KEREN HATZOLO

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES	Mr J S Weiser Mr L Weiss Mr I Friedman
PRINCIPAL ADDRESS	94 Stamford Hill London N16 6XS
REGISTERED CHARITY NUMBER	289761
INDEPENDENT EXAMINER	Sugarwhite Meyer Accountants Ltd First Floor 94 Stamford Hill London N16 6XS
BANKERS	Barclays Bank plc 1 Churchill Place London E14 5HP

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. 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).

Reference and administrative information

Reference and administrative information is shown on page 1 of the financial statements and forms part of this report.

OBJECTIVES AND ACTIVITIES

Objectives for public benefit

The objects of the charity are general charitable purposes and in particular the relief of poverty and the advancement of religion and religious education.

The trustees confirm that they have given due regard the Charity Commission's guidance on public benefit.

Grantmaking

In general the trustees select the institutions to be supported according to their personal knowledge of work of the institution. Whilst not actively inviting applications, they are always prepared to accept any application which will be carefully considered and help given according to circumstances and funds then available.

ACHIEVEMENT AND PERFORMANCE

Review of activities and achievements

The trustees are pleased with the results for the year. There was a decrease in donations of about 30% with investment income at a similar level to the previous year. Grantmaking was increased by about 6% leaving a surplus for the year. The charity invested in new properties.

FINANCIAL REVIEW

Reserves policy

The trustees do not seek to maintain reserves, other than to ensure that they can continue the activities of the charity. Reserves at the year end were £2,765,175 (2019 - £2,703,061) of which £405,750 (2019 - £405,750) are restricted. Free reserves were £276,235 (2019 - £285,974).

FUTURE PLANS

The trustees anticipate that the charity will continue on a similar basis in the foreseeable future subject to satisfactory income and there are no plans for any major changes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Charity constitution

The trust was established by Deed of Trust dated 15 September 1981.

Organisational structure

The charity is managed and controlled by the trustees. The power to appoint new trustees is vested in the current board. It is not the intention of the trustees of the charity to appoint any new trustees. Should the situation change in the future, the trustees will apply suitable recruitment induction and training procedures.

Risk management

The trustees have reviewed the major risks that the charity is exposed and confirm that they have established systems to mitigate them.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

KEREN HATZOLO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 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.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20 October 2021 and signed on its behalf by:

Mr I Friedman - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KEREN HATZOLO

Independent examiner's report to the trustees of Keren Hatzolo

I report to the charity trustees on my examination of the accounts of Keren Hatzolo (the Trust) for the year ended 31 December 2020.

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 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England & Wales which is one of the listed bodies.

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.

E Meyer FCA BSc
Institute of Chartered Accountants in England & Wales
Sugarwhite Meyer Accountants Ltd
First Floor
94 Stamford Hill
London
N16 6XS

20 October 2021

KEREN HATZOLO

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		225,453	-	225,453	168,793
Investment income	2	232,777	-	232,777	278,810
Total		458,230	-	458,230	447,603
EXPENDITURE ON					
Raising funds	3	33,636	-	33,636	44,123
Charitable activities	4				
Charitable activities		375,730	-	375,730	379,771
Total		409,366	-	409,366	423,894
Net gains on investments		13,250	-	13,250	123,918
NET INCOME		62,114	-	62,114	147,627
RECONCILIATION OF FUNDS					
Total funds brought forward		2,297,311	405,750	2,703,061	2,555,434
TOTAL FUNDS CARRIED FORWARD		2,359,425	405,750	2,765,175	2,703,061

The notes form part of these financial statements

KEREN HATZOLO**BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Investment property	8	2,184,120	2,169,120
CURRENT ASSETS			
Debtors	9	304,820	247,967
Cash at bank		280,395	289,796
		<u>585,215</u>	<u>537,763</u>
CREDITORS			
Amounts falling due within one year	10	(4,160)	(3,822)
NET CURRENT ASSETS		<u>581,055</u>	<u>533,941</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,765,175</u>	<u>2,703,061</u>
NET ASSETS		<u>2,765,175</u>	<u>2,703,061</u>
FUNDS	12		
Unrestricted funds		2,359,425	2,297,311
Restricted funds		405,750	405,750
TOTAL FUNDS		<u>2,765,175</u>	<u>2,703,061</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 October 2021 and were signed on its behalf by:

Mr I Friedman - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis.

The valuation of investment properties is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore, the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

Income

Income received by way of donations is accounted for when received.

Income from investments is included in the year in which it is receivable.

Expenditure

Liabilities are recognised in the year in which they are incurred and includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

Investment management costs include costs relating to the investment properties.

Grants are only recognised in the in the financial statements when paid.

Support costs are those incurred to assist the work of the charity but are not direct charitable activities.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Going concern

There are no material uncertainties about the charity's ability to continue.

KEREN HATZOLO

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

2. INVESTMENT INCOME

	2020	2019
	£	£
Rents and services	221,293	261,483
Loan interest	11,484	17,327
	<u>232,777</u>	<u>278,810</u>

3. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Portfolio management	<u>33,008</u>	<u>43,751</u>

4. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Charitable activities	<u>373,434</u>	<u>2,296</u>	<u>375,730</u>

5. GRANTS PAYABLE

	2020	2019
	£	£
Charitable activities	<u>373,434</u>	<u>374,704</u>

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Religious education	<u>373,434</u>	<u>374,704</u>

All donations were made to Keren Hatzolo in Israel and USA.

6. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Charitable activities	<u>(197)</u>	<u>2,493</u>	<u>2,296</u>

KEREN HATZOLO

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

6. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Governance costs

	2020 Charitable activities £	2019 Total activities £
Independent examiner's fee	600	600
Independent examiner's other fees	1,560	1,560
General expenses	333	401
	<u>2,493</u>	<u>2,561</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2020	2,169,120
Additions	15,000
	<u>2,184,120</u>
At 31 December 2020	
	<u>2,184,120</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,184,120</u>
At 31 December 2019	<u>2,169,120</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	<u>304,820</u>	<u>247,967</u>

KEREN HATZOLO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Taxation and social security	2,000	1,663
Other creditors	2,160	2,159
	<u>4,160</u>	<u>3,822</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
Investments	1,778,370	405,750	2,184,120	2,169,120
Current assets	585,215	-	585,215	537,763
Current liabilities	(4,160)	-	(4,160)	(3,822)
	<u>2,359,425</u>	<u>405,750</u>	<u>2,765,175</u>	<u>2,703,061</u>

12. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,297,311	62,114	2,359,425
Restricted funds			
Restricted funds	405,750	-	405,750
TOTAL FUNDS	<u>2,703,061</u>	<u>62,114</u>	<u>2,765,175</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	458,230	(409,366)	13,250	62,114
TOTAL FUNDS	<u>458,230</u>	<u>(409,366)</u>	<u>13,250</u>	<u>62,114</u>

KEREN HATZOLO

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	2,149,684	147,627	2,297,311
Restricted funds			
Restricted funds	405,750	-	405,750
TOTAL FUNDS	<u>2,555,434</u>	<u>147,627</u>	<u>2,703,061</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	447,603	(423,894)	123,918	147,627
TOTAL FUNDS	<u>447,603</u>	<u>(423,894)</u>	<u>123,918</u>	<u>147,627</u>

13. RELATED PARTY DISCLOSURES

The charity has an interest in a UK registered company the shares of which are held by nominees. Loans to this company amounted to £270,458 (2019-£229,674) as at the balance sheet date, during the year under review the charity received interest of £11,484 (2019 - £17,327) and gift aid of £62,000 (2019 - £36,300) .