

THE BRITISH FRIENDS OF MERCAZ HATORAH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

THE BRITISH FRIENDS OF MERCAZ HATORAH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

E. Prager
A. Stimler
C.E. Tabor

Charity registration

England and Wales

294831

Principal address

2 Holmfield Avenue
London
NW4 2LN

Independent examiner

Michael M. Bayer, FCA
Hallswelle House
1 Hallswelle Road
London
NW11 0DH

Bankers

Barclays Bank PLC

THE BRITISH FRIENDS OF MERCAZ HATORAH

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THE BRITISH FRIENDS OF MERCAZ HATORAH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report and financial statements for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The trustees have had regard to the Charity Commission's guidance on public benefit.

The principal object of the Trust is to advance the charitable and educational work of the institution for religious training known as Mercaz Hatorah in Jerusalem, Israel.

The policy adopted in furtherance of these objects is to invite the public to make donations to the charity and there has been no change in this policy during the year.

Strategies for achieving aims and objectives

The trustees consider the performance of the charity during the year to be satisfactory.

Public benefit

In planning the charity's activities the trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake, and on public benefit.

Achievements and performance

Significant activities and achievements against objectives

In pursuance of the charity's objectives, grants totalling £75,000 (2024 - £0) were made to Mercaz Hatorah, Jerusalem.

Financial review

The charity continues to attract the support of the community to enable it to pursue its objectives. Donations received during the year totalled £62,576 (2024 - £15,491). Grants totalling £75,000 (2024 - £0) were made during the year. At the balance sheet date cash funds totalling £10,794 (2024 - £23,500) were held.

It is the policy of the charity to retain funds until a meaningful amount has been accumulated, whereupon a distribution is made.

The trustees believe that the financial situation of the charity continues to be satisfactory and that sufficient funds are available to permit the charity to continue its activities in the foreseeable future.

Major risks

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 1st April 1986.

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

E. Prager

A. Stimler

C.E. Tabor

THE BRITISH FRIENDS OF MERCAZ HATORAH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Recruitment and appointment of trustees

Appointment of trustees is governed by the trust deed of the charity. The principal of Mercaz Hatorah in Israel is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Induction and training of trustees

In the event of the appointment of new trustees, suitable recruitment, induction and training procedures will be applied.

The trust deed authorises the trustees to make and hold investments using the general funds of the charity. No such investments are currently held.

The trustees' report was approved by the Board of Trustees.

A. Stimler

Trustee

1 May 2026

THE BRITISH FRIENDS OF MERCAZ HATORAH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BRITISH FRIENDS OF MERCAZ HATORAH

I report to the trustees on my examination of the financial statements of The British Friends of Mercaz Hatorah (the charity) for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I confirm that no 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 charity as required by section 130 of the Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Michael M. Bayer, FCA

Chartered Accountant

Hallswelle House

1 Hallswelle Road

London

NW11 0DH

3 May 2026

THE BRITISH FRIENDS OF MERCAZ HATORAH

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	3	62,576	15,491
Investments	4	341	240
		<hr/>	<hr/>
Total income		62,917	15,731
 Expenditure on:			
Charitable activities	5	75,720	720
		<hr/>	<hr/>
Total expenditure		75,720	720
		<hr/>	<hr/>
Net income/(expenditure) and movement in funds		(12,803)	15,011
 Reconciliation of funds:			
Fund balances at 1 January 2025		22,910	7,899
		<hr/>	<hr/>
Fund balances at 31 December 2025		10,107	22,910
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE BRITISH FRIENDS OF MERCAZ HATORAH

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	11	33		130	
Cash at bank and in hand		10,794		23,500	
		<u>10,827</u>		<u>23,630</u>	
Creditors: amounts falling due within one year	12	(720)		(720)	
		<u></u>		<u></u>	
Net current assets			10,107		22,910
			<u></u>		<u></u>
The funds of the charity					
Unrestricted funds	13		10,107		22,910
			<u>10,107</u>		<u>22,910</u>
			<u></u>		<u></u>

The financial statements were approved by the trustees on 1 May 2026

A. Stimler
Trustee

THE BRITISH FRIENDS OF MERCAZ HATORAH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Charity information

The British Friends of Mercaz Hatorah is a charity registered in England and Wales. The charity's business address is 2 Holmfield Avenue, London NW4 2LN. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Basis of preparation

The accounts have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's objectives unless the funds have been designated for other purposes.

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

1.5 Expenditure

Resources expended are included in the statement of financial activities on an accruals basis.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks and other short-term liquid investments with original maturities of three months or less.

THE BRITISH FRIENDS OF MERCAZ HATORAH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Value added tax

Value added tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

2 Critical accounting estimates and judgements

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

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

THE BRITISH FRIENDS OF MERCAZ HATORAH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	62,576	15,491

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	341	240

5 Expenditure on charitable activities

	Total 2025 £	Total 2024 £
Direct costs		
Grant funding of activities (see note 6)	75,000	-
Share of support and governance costs (see note 7)		
Governance	720	720
	75,720	720
Analysis by fund		
Unrestricted funds	75,720	720

6 Grants payable

	Total 2025 £
Grants to institutions: Mercaz Hatorah, Jerusalem	75,000

THE BRITISH FRIENDS OF MERCAZ HATORAH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

7 Support costs allocated to activities

	Total 2025 £	Total 2024 £
Governance	720	720
	<u> </u>	<u> </u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	-	104
Prepayments and accrued income	33	26
	<u> </u>	<u> </u>
	33	130
	<u> </u>	<u> </u>

12 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals and deferred income	720	720
	<u> </u>	<u> </u>

THE BRITISH FRIENDS OF MERCAZ HATORAH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These can include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	22,910	62,917	(75,720)	10,107
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	7,899	15,731	(720)	22,910
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).