

COMPANY REGISTRATION NUMBER: 5699608
CHARITY REGISTRATION NUMBER: 1121119

Daf Hayomi
Company Limited by Guarantee
Unaudited Financial Statements
28 February 2019

HAS LTD
Chartered accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL



Daf Hayomi

Company Limited by Guarantee

Financial Statements

Year ended 28 February 2019

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 28 February 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 28 February 2019.

Reference and administrative details

Registered charity name Daf Hayomi

Charity registration number 1121119

Company registration number 5699608

Principal office and registered office 2b Mather Avenue
Prestwich
Manchester
M25 0LA

The trustees A Henry
L S Schwalbe
J Eckstein (Retired 3 December 2018)

Company secretary L S Schwalbe

Accountants HAS Ltd
Chartered accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2019

Structure, governance and management

Daf Hayomi is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 06 February 2006 as a company and the company number is 5699608. It was registered as a charity on 10 October 2007 with a charity number 1121119.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mr A Henry on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

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, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2019

Objectives and activities

The objects of the charity are the relief of poverty amongst the elderly or persons in need, hardship and distress in the Jewish Community; the advancement of the Orthodox Jewish Religion and the advancement of education according to the tenets of the Orthodox Jewish Faith.

Public benefit

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

Grant making policy

The charity is funded by donations. The charity gives out grants in line with the above objects.

There were no grants paid to individuals made during the year.

Grants made during the year to institutions are as detailed in the accounts.

The application of the funds by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2019

Achievements and performance

The charity received £16,324 in donations during the year and paid out £34,200 by way of grants and £4,450 for functions that were educationally inspiring and spiritually uplifting as well as support costs. These grants and direct charitable activities were made in line with the stated educational objects of the charity.

The investment property produced investment income amounting to £4,204 in the year.

The charity incurred governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

There were no material fundraising costs during the year.

There were no related party transactions in the reporting period.

There was an overall net expenditure and movement in funds for the year amounting to £18,122.

Financial review

Investment performance

The investment of the charity has performed reasonably well in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve roughly equal to the net current assets of the charity.

The trustees have considered the fair value of the investment property taking into account the loan to value of the property as well as the nature and exposure of the syndicate properties. The trustees consider the holding value to be the fair value.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The reserves stand at £41,788, all of which are unrestricted.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2019

The trustees' annual report and the strategic report were approved on 11 November 2019 and signed on behalf of the board of trustees by:



A Henry
Trustee

Daf Hayomi

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 28 February 2019

		2019	2018
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	5	16,324	16,324
Investment income	6	4,204	4,204
Total income		<u>20,528</u>	<u>20,528</u>
Expenditure			
Expenditure on charitable activities	7,8	38,650	38,650
Total expenditure		<u>38,650</u>	<u>38,650</u>
Net gains on investments	11	—	—
Net (expenditure)/income and net movement in funds		<u>(18,122)</u>	<u>(18,122)</u>
Reconciliation of funds			
Total funds brought forward		59,910	59,910
Total funds carried forward		<u>41,788</u>	<u>41,788</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

Daf Hayomi

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Statement of Financial Position

28 February 2019

	Note	2019 £	£	2018 £
Fixed assets				
Investments	15		30,953	29,046
Current assets				
Cash at bank and in hand		12,635		33,264
Creditors: amounts falling due within one year	16	<u>1,800</u>		<u>2,400</u>
Net current assets			<u>10,835</u>	<u>30,864</u>
Total assets less current liabilities			<u>41,788</u>	<u>59,910</u>
Net assets			<u>41,788</u>	<u>59,910</u>
Funds of the charity				
Unrestricted funds			<u>41,788</u>	<u>59,910</u>
Total charity funds	17		<u>41,788</u>	<u>59,910</u>

For the year ending 28 February 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 11 November 2019, and are signed on behalf of the board by:



A Henry
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Daf Hayomi

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 28 February 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2nd Floor Parkgates, Bury New Road, Prestwich, Manchester, M25 0TL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported besides the fair value of the investment syndicates.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Daf Hayomi is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	16,324	16,324	21,169	21,169

6. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Income from investment properties	4,204	4,204	3,520	3,520

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Charitable grants	37,621	37,621	9,330	9,330
Support costs	1,029	1,029	10,907	10,907
	38,650	38,650	20,237	20,237

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2019 £	Total fund 2018 £
Charitable grants	3,421	34,200	430	38,051	19,036
Governance costs	—	—	599	599	1,201
	<u>3,421</u>	<u>34,200</u>	<u>1,029</u>	<u>38,650</u>	<u>20,237</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2019 £	Total 2018 £
Premises	430	430	7,500
General office	—	—	2,207
Governance costs	599	599	1,200
	<u>1,029</u>	<u>1,029</u>	<u>10,907</u>

10. Analysis of grants

	2019 £	2018 £
Grants to institutions		
Kol Yom Trust Limited	34,200	9,330
Total grants	<u>34,200</u>	<u>9,330</u>

11. Net gains on investments

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/(losses) on investment property	—	—	11,602	11,602

12. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	—	1,200

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

13. Staff costs

The average head count of employees during the year was Nil (2018: Nil).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Investments

	Investment properties £
Cost or valuation	
At 1 March 2018	29,046
Additions	4,204
Disposals	<u>(2,297)</u>
At 28 February 2019	<u>30,953</u>
Impairment	
At 1 March 2018 and 28 February 2019	
Carrying amount	
At 28 February 2019	<u>30,953</u>
At 28 February 2018	<u>29,046</u>

All investments shown above are held at valuation.

Investment properties

All investments shown above are held at fair value in the opinion of the trustees at the balance sheet date. The investment property represents one syndicate investment that the charity owns a 1% holding.

16. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	600	1,200
Other creditors	<u>1,200</u>	<u>1,200</u>
	<u>1,800</u>	<u>2,400</u>

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

17. Analysis of charitable funds

Unrestricted funds

	At 01 Mar 2018 £	Income £	Expenditure £	At 28 Feb 2019 £
General funds	<u>59,910</u>	<u>20,528</u>	<u>(38,650)</u>	<u>41,788</u>

	At 01 Mar 2017 £	Income £	Expenditure £	At 28 Feb 2018 £
General funds	<u>43,856</u>	<u>24,689</u>	<u>(20,237)</u>	<u>59,910</u>

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2019 £
Investments	30,953	30,953
Current assets	12,635	12,635
Creditors less than 1 year	<u>(1,800)</u>	<u>(1,800)</u>
Net assets	<u>41,788</u>	<u>41,788</u>

	Unrestricted Funds £	Total Funds 2018 £
Investments	29,046	29,046
Current assets	33,264	33,264
Creditors less than 1 year	<u>(2,400)</u>	<u>(2,400)</u>
Net assets	<u>59,910</u>	<u>59,910</u>

19. Taxation

Daf Hayomi is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.