

Registered number: 02781146
Charity number: 1016767

TZEDEK

**UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

TZEDEK
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Susannah Finch, Treasurer (Appointed 1 December 2010, Resigned 10 August 2021)

Nik Kafka, Chair from 22 June 2020 to 1 March 2020 (Appointed 5 October 2016)

Frances Khalastchi (Appointed 16 April 2014, Resigned 15 April 2021)

Jonathan Middleburgh, (Appointed 5 October 2016, Resigned 15 October 2020)

Joshua Simons (Appointed 12 January 2018)

Julian Saipe (Appointed 13 May 2019)

Paul Kay (Appointed 28 November 2019)

Robin Heller (Appointed 1 April 2020)

Gila Sacks (Appointed 25 April 2013, Resigned 7 July 2020)

Miles Webber, Chair (Appointed 1 March 2021)

Charity registered number

1016767

Registered office

C/O Calder & Co, 30 Orange Street, London, WC2H 7HF

Chief executive officer

Kira Blumer

Independent Examiner

Ian Rosmarin, Calder & Co, Chartered Accountants, 30 Orange Street, London, WC2H 7HF

Bankers

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

HSBC Bank plc, 333 Vauxhall Bridge Road, London, SW1V 1EJ

Website

www.tzedek.org.uk

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act 2006) present their Trustees' Report together with the financial statements of Tzedek (the charity) for the year ended 31 March 2021. The Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Trustees Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 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).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 has been omitted.

Objectives and Activities

a. POLICIES AND OBJECTIVES

In setting its programme each year, due regard is given to the Charity Commission's general guidance on public benefit.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

Tzedek continues to make a bold statement about the Jewish responsibility to look beyond our own community at the global challenge of extreme poverty and, leading by example, invests in local projects and programmes in northern Ghana and four states in India, which make sustained changes in people's lives.

- We work with women, youth and civil society groups – enabling them to make changes in their own lives, for their communities and for the sake of global development
- We inform and harness the UK Jewish community's commitment to social impact
- We partner with local organisations in the UK and overseas
- We invest in sustainable and climate resilient development projects for communities experiencing extreme poverty, from a variety of cultures and faiths
- We address the root causes and systems that perpetuate poverty and injustice, as well as relieving the symptoms

Achievements and performance

a. REVIEW OF ACTIVITIES

Progress with Overseas Programmes

In India, our objective is to alleviate extreme poverty in rural and marginalised communities in partnership with grassroots organisations in four states: Bihar and West Bengal in the northeast and Tamil Nadu and Andhra Pradesh in the southeast. We do this by working with women and youth to improve their access to stable and sustainable income generating activities. We strengthen the impact of these projects through building the capacity of our network of partners, improving their leadership and other organisational and technical skills relevant to delivering development projects.

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The pandemic has had a devastating impact on India. In March 2020, a nationwide lockdown was imposed with four hours' notice, which left a high proportion of the population, including our participants, who live on a daily wage without income, a means to feed their family or protect themselves against the virus. We therefore funded packages of essential food and sanitation supplies for 700 participants and their families. While delivering supplies, our partners also conducted educational sessions on preventative measures, including social distancing and effective handwashing, as they had identified a lot of misinformation in the communities.

When the pandemic first broke out, all of our projects had to stop due to restrictions. All were able to resume for a period before the recent second wave, with two completing, including one which trained 40 girls as medical laboratory assistants and nurses. Another trained 90 women in computer skills and 60 have already found jobs as a result of their new skills.

Tzedek also works in the Northern Region of Ghana. Our main focus in Ghana is now on our Empowerment for Life programme (E4L), in the Tolon district. Our schools Twinning Programme runs with schools in Tamale, the capital of the Northern Region.

E4L is a multi-year programme delivered in partnership with Ghana Developing Communities Association (GDCA), and their subsidiary and longstanding Tzedek partner, YEFL-Ghana (formerly Youth Empowerment for Life).

The aim of the programme is to alleviate poverty and improve the quality of life in the district, through working to improve education experience and outcomes, increase youth opportunity and engagement, and improve livelihoods and food security.

E4L entered its second year in July 2020. Our delivery partners have been able to continue programming throughout the pandemic, holding activities outside and with social distancing and handwashing facilities. Our team in Tolon continue to deliver capacity building sessions for our youth groups, Parent Teacher Associations (PTAs) and School Management Committees (SMCs). These sessions aim to empower and enable the groups to drive change, according to their communities' priorities, such as motivating families to send their female children to school or improving school infrastructure.

This programme also supported the local response to COVID-19. GDCA have been working very closely with the local District Assembly and District Health Directorate to run information campaigns to reach even the most rural communities. They have utilised existing relationships with the community-based organisations we work with, educating them on preventative measures and encouraging them to spread this knowledge in their communities. They have also educated communities on how to construct a simple handwashing device called a 'tippy tap' which can be made from local materials at low or no cost.

We also supported the provision of assorted preventative items to the Health Directorate for distribution to relevant places such as health clinics and schools as they begin to reopen. These items included masks, soap, sanitiser, examination gloves and veronica buckets (for handwashing).

GDCA were also able to engage two health professionals in collaboration with the Ghana Health Service, to conduct eight weekly radio programmes. These were broadcast on a local radio that has a wide reach across most communities in Tolon district, and focused on COVID-19 precautionary measures and procedures to report suspected cases. They were conducted in the local language and listeners were able to phone in, interact and ask questions.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Progress in Educating the UK Jewish Community

We have created and delivered a host of high-quality programmes reaching over 2,000 young people annually. We have built a journey of opportunities to increase the UK Jewish community's sense of global responsibility, offering various entry points for practical involvement in reducing extreme poverty. From primary school through to adulthood, we provide our community with opportunities to learn, campaign and volunteer.

Since the start of lockdown these programmes have been delivered virtually and we have deferred or adapted any that would ordinarily involve overseas travel. As young people in our community suffered the cancellation of internships and other programmes with various organisations, we saw a greater need and desire for meaningful work, skills development, and professional opportunity. At the same time, we noticed a renewed vigour in our Jewish community, despite the hardships faced in our own country, to support the global work against poverty and other forms of injustice. We responded by elevating existing programmes and launching new ones, catering to our young people's needs and interests and deepening our impact. Many of these programmes are run in partnership with other communal organisations to co-deliver and increase participant intake.

Programmes

We run numerous new and longstanding programmes to educate and engage with the UK Jewish community.

One of our new programmes, Teen Activism Training, was launched in partnership with BBYO, a Jewish youth movement. This week-long interactive online programme was joined by young leaders who ordinarily would have been on Israel Tour. This programme explored global injustice beyond extreme poverty, looking within the UK and globally. We addressed ideas and practices relevant to social action with each day centred on teaching a related skill through the lens of topical issues and campaigns, ranging from the impact of COVID-19 and Black Lives Matter to the climate movement. We also explored various concepts that motivate Jewish global action.

Looking more specifically at international development and the charity sector, our new Fellowship and expanded Internship Programme are open to university students and young professionals. These programmes were received with high levels of interest and engagement. Being online, we were also able to broaden our reach, welcoming participants from Leeds, Scotland and even further afield, including from Israel, the US, Ghana, Rwanda and India. This enhanced our programmes, providing participants with a more diverse set of voices and experiences to learn with and from.

Our Internship Programme kickstarted with a weeklong intensive training programme, introducing International Development and global responsibility while providing a cohort experience for collaborative learning and working. This initial week provided the foundations for a meaningful internship through skill sessions and personal-professional development reflections. This week also explored the Jewish motivation for global social action, and Jewish values that guide our work, including a look at Maimonides' philosophy on charitable giving. Participants then continued with the Tzedek team and their cohort, supporting our mission and undertaking projects to develop their skills and portfolios as they would in a traditional internship.

On our Fellowship, we met monthly online to hear from guest speakers from across the sector, partake in group discussion, and debrief readings assigned between sessions. We explored the Sustainable Development Goals, decolonising and depoliticising the sector, human rights, gender with WASH (water, sanitation and hygiene), the relationship between relief and long-term development, climate resilience and education. We also facilitated a supplementary session for fellows to share their knowledge and expertise with the cohort, as it related to development work and connected fields. In response to the request of some current fellows, we are now also looking to pair participants with personal mentors to further the benefits of this programme and their general professional development.

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All our programmes explore a variety of the Sustainable Development Goals and human rights, and address harmful perceptions and representations of poorer regions of the world, including where this is a problem within the International Development sector. We also make it a priority to bring in external expertise, welcoming a variety of speakers, including but not limited to our partners and other experts from our focus countries (India and Ghana).

In addition to our own programming, we have delivered numerous interactive sessions at several secondary schools, university Jewish societies, youth movements and synagogues. We have also spoken on various panels, including OLAM's Focal Point conference, at the JW3, for Limmud Together UK Summer, and for Limmud Festival 2020.

Alumni Engagement

Alumni from our overseas education programmes, internships and other engagement pieces continue their journey with Tzedek through partaking in other opportunities, and by playing an important part in raising awareness with their peers. We have reengaged numerous programme alumni this year, including those who have participated on the Chief Rabbi's Ben Azzai Programme, and are developing a strategy to further their connection with us and the continuation of their Tzedek journey.

This year we have also supported alumni of the last Ben Azzai Programme cohort in creating an educational initiative, Young Social Enterprise. This is a competition for secondary school students to design a sustainable development project, which we have incubated, advised on and supported with educational content.

All these activities inspire and engage UK Jews to play their part in global development and justice.

Thanks

We are very grateful to all our supporters, who have been critical to our success.

We would like to thank all of our donors for their investment in our mission, and therefore in our global community, this year. To the various trusts and foundations who have enabled us to grow and develop, the companies that have offered support and sponsored our events, to our longstanding friends and patrons, to our individual donors, big and small, and to those who have engaged family and friends to fundraise for us – our work would not be possible without you.

We would also like to thank the staff and partners of Calder & Co for carrying out the Independent Examination this year and for their continued support throughout the year.

We are indebted to our volunteers, many of whom have been involved with us for years now, who contribute enormously to all areas of work – our education, overseas work and operations. Your time and expertise is invaluable to us. Thank you.

Thank you also to our interns, whose contributions are truly valuable.

We are so grateful to Nigel Berney and Mark Shipman, who hosted our property event with a panel of guest speakers: Shamonie Barman, Lord Boateng, Nick Candy, Stephen Conway, Nick Leslau, Ian Marcus, Alex Midgen, Katherine O'Shea, and Oliver Shah. This event was organised in partnership with Rays of Sunshine Children's Charity. Thank you to our charity partners and guest speakers for your support with this event. Thank you also to Steven Fogel, who moderated our autumn event with guest speakers Luciana Berger and Jonathan Djanogly. This event also featured various UK education programme alumni. Thank you for your time and thoughtful contribution to our event.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

We would especially like to thank our Board of Trustees, who direct our organisation with such vision, ambition and care. We have said goodbye to our immediate past Chair, Jonathan Middleburgh, now Chair Emeritus, who guided us through four transformative years of expansion. We are delighted to have appointed Miles Webber as our new Chair. Miles joined Tzedek with great passion and drive, and we are deeply grateful for his leadership. Thank you to Nik Kafka, who served as Interim Chair before Miles' appointment, and who now continues with us as Trustee and Development Committee member. We are also delighted to have welcomed Robin Heller to the Board. Our deepest thanks must go to Gila Sacks and Frances Khalastchi, two longstanding and now former Trustees who gave endless time and energy over the years.

We would also like to thank our professional team for their hard work, vision, and drive. Their dedication and pursuit of excellence allowed us to achieve remarkable things during an unpredictable time. This year saw us say goodbye to Jake Kalisch, Education and Alumni Coordinator, who brought so much to the team throughout his time at Tzedek. We wish him the best in his future endeavours.

A special thank you must go to our colleagues in India and Ghana. In an exceptionally challenging year for our communities, their expertise, dedication and innovation has sustained our mission and enabled us to have continued impact. We are proud to call them our partners in all of the work that we do.

Public Benefit Statement

Tzedek operates on a dual mission with two charitable aims:

1) To alleviate extreme poverty by:

- I. Supporting sustainable partner-led international development in India and Ghana with a particular focus on livelihoods, education, and youth empowerment; and
- II. Leveraging the UK Jewish community's expertise to develop strategy, strong partnerships, and future leaders to work towards the aim of alleviating extreme poverty.

2) To work within the UK Jewish community to increase its sense of global social responsibility through:

- I. Informal education;
- II. Opportunities to learn with our partners overseas; and
- III. In the case of a specific need in our partner communities, skilled professionals from the UK are given the opportunity to volunteer abroad.

Our impact is shown through data, case studies, and evidence that demonstrate how beneficiaries are being lifted out of poverty, that best practice is being implemented across our networks, and that young Jewish leaders are emerging to influence the Jewish community to be more globally socially responsible.

Our trustees maintain that our charitable aims and delivery methods satisfy the guidance on public benefit. The direct benefit to the public includes:

- A) Increased income and financial stability to beneficiaries in marginalised communities through access to education, livelihoods and vocational training, and micro finance initiatives;
- B) Sustainable improvements for entire communities via our partner-led development projects, which enable beneficiaries how to lift themselves out of extreme poverty and improve their quality of life;
- C) Empowering youth in our focus regions and the UK to engage in civil society and become leaders in making change in their communities;
- D) Capacity-building for our partners and beneficiary groups, including parent teacher associations, school management committees, youth groups and district level governments, to enable more effective and sustainable change;
- E) Educational initiatives in the UK that lead to the formation of conscientious, engaged youth with a strong sense of social responsibility. These beneficiaries include students in our Primary school partnership programmes through to our adult education class participants; and
- F) Learning and skilled volunteering opportunities abroad that are delivered to the highest standards of ethical and partner-focused international development, which results in exemplary education for Brits abroad and mutually beneficial exchanges for our partners in India and Ghana.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

We hold no concerns of Private Benefit or Harm.

No private benefit arises from our charitable aims or activities. We operate and adhere to strict standards of ethics and performance, ensuring that no harm is done to our partners and beneficiaries in India, Ghana, and the UK. Programmes in all countries are risk-assessed and compliant with international safeguarding standards, and all of our international development work is delivered in-country by local experts.

Our trustees monitor charitable aims and activities closely with regular reporting from professional staff. We are committed to Charity Commission guidance and financial reporting standards, which we will ensure remain a top priority in governance and operations.

Financial review

a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

During the year ended 31st March 2021 Tzedek recorded an income of £276,548 (2019/20 £440,044) and an excess of expenses over income of £49,147 (2019/20 –£33,043). This is a decrease of 37% on previous year's income largely as a result of having to re-format major fundraising activities from in-person to on-line, and the loss of income (and expenditure) from travel-related educational experiences that were cancelled due to the pandemic.

COVID-19 Response

We have been able to think creatively in order to reduce overheads and mitigate loss in the wake of COVID-19. The trustees and professional staff have worked closely as a team to execute frequent reviews of our finances, which has allowed us to manage the situation strategically and cohesively. Terminating our office lease and all other expenses that were not mission-critical allowed us to continue our vital work with the confidence that our organisation could withstand these new pandemic-related challenges.

We successfully adapted to online fundraising, running virtual events and digital appeals to support our work. We are proud of the powerful content we were able to deliver, and incredibly grateful to our funders and supporters for engaging with us through these channels. As mentioned above, our development and educational programming continued under these circumstances, thanks to our rapid adjustment with fundraising and financial management.

Whilst we acknowledge that our reserves have been adversely affected by the impact of COVID-19, we are confident that we have taken steps to address this and to rebuild them early in the future.

c. PRINCIPAL RISKS AND UNCERTAINTIES

In accordance with the recommendations of the Statement of Recommended Practice the trustees confirm that they have reviewed the major risks to which the charity might be exposed. An indemnity policy is in place to cover the negligence or default of trustees or employees.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

d. RESERVES POLICY

Tzedek's Reserves Policy is to ensure that there will be sufficient cashflow to cover overheads for the subsequent six months. The policy is reviewed at least annually in light of the charity's changing circumstances. The ongoing situation is monitored by the Treasurer and Chief Executive and is formally presented regularly at Trustee meetings, together with a cash flow forecast.

Structure, governance and management

a. CONSTITUTION

The charity is registered as a charitable company limited by guarantee (company number 1016767) and is constituted under a Memorandum of Association.

The principal objects of the charity are:

- to provide the relief of poverty, deprivation, sickness, distress and hardship in any country or countries, place or places without differentiation on the grounds of race, colour, nationality, creed or sex;
- to educate the public in general and the Jewish community in particular concerning the nature, causes and effects of poverty, deprivation, sickness, distress and hardship and of Jewish religious obligations, beliefs and traditions to relieve the same and to conduct and procure research concerning these and to publish or otherwise make the results thereof available to the public;
- the dissemination of the knowledge of established Jewish religious obligations, beliefs and traditions in order to further achieve the objects above stated.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Legal control of the charity is in the hands of the Board of Trustees. Every trustee has been appointed a director of the charitable company. Trustees have been elected at Annual General Meetings or by appointment during the year by the Board itself, subject in this latter case to retirement and re-election at the next Annual General Meeting.

The Board of Trustees works with the charity's Chief Executive on strategic development and policy implementation.

This report was approved by the Trustees on 14 October 2021 and signed on their behalf by:

Miles Webber

Miles Webber
Chair of trustees

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TZEDEK

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the financial statements of Tzedek ('the charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 ('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 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT EXAMINER'S STATEMENT

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and 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:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Signed:



Dated: 21st October 2021

IAN ROSMARIN, FCA
CALDER & CO,
CHARTERED ACCOUNTANTS

30 Orange Street
London
WC2 7HF

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**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2021 £	2021 £	2021 £	2020 £
INCOME FROM:					
Donations and legacies	3	196,483	74,855	271,338	366,841
Fundraising	4	-	-	-	15,000
Trading activities	5 & 16	4,951	-	4,951	4,740
Investments	6	9	-	9	72
Charitable activities	7	<u>250</u>	<u>-</u>	<u>250</u>	<u>53,391</u>
TOTAL INCOME		<u>201,693</u>	<u>74,855</u>	<u>276,548</u>	<u>440,044</u>
EXPENDITURE ON:					
Raising funds	8	106,427	-	106,427	163,148
Charitable activities:					
Overseas Grant Costs		93,268	55,566	148,834	181,410
Education		54,893	10,597	65,490	123,214
Governance	13	<u>4,944</u>	<u>-</u>	<u>4,944</u>	<u>5,315</u>
TOTAL EXPENDITURE	14	<u>259,532</u>	<u>66,163</u>	<u>325,695</u>	<u>473,087</u>
NET INCOME / (EXPENDITURE)		<u>(57,839)</u>	<u>8,692</u>	<u>(49,147)</u>	<u>(33,043)</u>
NET MOVEMENT IN FUNDS		(57,839)	8,692	(49,147)	(33,043)
RECONCILIATION OF FUNDS:					
Total funds at 1 April 2019		<u>82,029</u>	<u>4,598</u>	<u>86,627</u>	<u>119,670</u>
TOTAL FUNDS AT 31 MARCH 2020		<u>24,190</u>	<u>13,290</u>	<u>37,480</u>	<u>86,627</u>

All activities relate to continuing operations.

The notes on pages 13 to 26 form part of these financial statements.

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**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	21		12,212		16,836
CURRENT ASSETS					
Debtors	22	6,957		54,837	
Cash at bank and in hand		<u>51,746</u>		<u>64,915</u>	
		58,703		119,752	
CREDITORS: amounts falling due within one year	23		<u>(33,435)</u>		<u>(49,961)</u>
NET CURRENT ASSETS			<u>25,268</u>		<u>69,791</u>
NET ASSETS			<u>37,480</u>		<u>86,627</u>
CHARITY FUNDS					
Restricted funds	24		13,290		4,958
Unrestricted funds	24		<u>24,190</u>		<u>82,029</u>
TOTAL FUNDS			<u>37,480</u>		<u>86,627</u>

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Under section 454 of the Act, the trustees can amend these accounts, on a voluntary basis, if they subsequently prove to be defective.

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

The financial statements were approved by the Trustees on 14 October 2021 and signed on their behalf, by:

Miles Webber

Miles Webber, Chair

The notes on pages 13 to 26 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Tzedek meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

I.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

I.3 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page I. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

I.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.5 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Reference is made to their contribution in Note 20 to the accounts.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.7 Going concern

The trustees are of the opinion that the use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

1.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	3 years straight line
Computer equipment	-	3 years straight line
Software systems	-	5 years straight line

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.11 Debtors

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

1.12 Cash at Bank and in hand

Cash at bank and 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.

1.13 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.14 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company 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 to charitable purposes.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

1.17 Overhead allocation

Costs are allocated to charitable activities where they relate directly to a specific group or project. The allocation of overhead costs is reviewed annually, and updated where there is a material change. They are made, on the basis of time, in accordance with the requirements of the SORP (FRS 102) as follows:

	<u>2021</u>	<u>2020</u>
Supporting Sustainable Development	18%	39%
Education	33%	29%
Fundraising	46%	28%
Governance	3%	4%

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily ascertainable from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Overhead Allocation

The company allocates its support costs to its activities on the basis shown in accounting policy 1.17. This allocation is estimated based upon the level of activity during the year.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	<u>196,483</u>	<u>74,855</u>	<u>271,338</u>	<u>366,841</u>

In 2020, of the total income from donations and legacies, £322,268 was to unrestricted funds and £44,573 was to restricted funds.

4. FUNDRAISING INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
PKT grant for fundraising	-	-	-	15,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>

In 2020, of the total fundraising income, £15,000 was to unrestricted funds and £nil was to restricted funds.

5. TRADING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charity trading income				
Sales of tickets and sundry items	<u>4,951</u>	-	<u>4,951</u>	<u>4,740</u>
Net income from trading activities	<u>4,951</u>	<u>-</u>	<u>4,951</u>	<u>4,740</u>

In 2020, of the total trading income, £4,740 was to unrestricted funds and £nil was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank and other interest	<u>9</u>	<u>-</u>	<u>9</u>	<u>72</u>

In 2020, of the total investment income, £72 was to unrestricted funds and £nil was to restricted funds.

7. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Education projects and overseas programme (Twinning Fees)	<u>250</u>	<u>-</u>	<u>250</u>	<u>53,391</u>

In 2020, of the total income from charitable activities, £34,474 was to unrestricted funds and £18,917 was to restricted funds.

8. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Events	38,975	-	38,975	64,068
Cost of appeals	18,152	-	18,152	27,147
Fundraising staff costs	21,333	-	21,333	50,704
Support costs – fundraising	27,967	-	27,967	21,229
	<u>106,427</u>	<u>-</u>	<u>106,427</u>	<u>163,148</u>

In 2020, of the total fundraising cost, £163,148 was to unrestricted funds and £nil was to restricted funds.

9. ANALYSIS OF GRANTS

	Grants to institutions 2021 £	Total 2021 £	<i>Total 2020 £</i>
Grants, supporting sustainable development	<u>36,493</u>	<u>36,493</u>	<u>32,479</u>

Grants relate to OPT projects funded in India. Projects and programmes funded in Ghana are recorded as direct costs (see note 11).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Supporting sustainable development	93,268	55,566	148,834	181,410
Education projects and overseas programme	<u>54,893</u>	<u>10,597</u>	<u>65,490</u>	<u>123,214</u>
	<u>148,161</u>	<u>66,163</u>	<u>214,324</u>	<u>304,624</u>

11. DIRECT COSTS

	Education Supporting projects and sustainable overseas development programme £		Total 2021 £	<i>Total 2020 £</i>
Supporting sustainable development	56,594	-	56,594	97,064
Education projects	-	653	653	23,369
Overseas study programmes	-	11,520	11,520	27,066
Wages and salaries	41,055	31,365	72,420	67,006
National insurance	2,928	2,099	5,027	6,084
	<u>100,577</u>	<u>45,637</u>	<u>146,214</u>	<u>220,589</u>

12. SUPPORT COSTS

	Basis of allocation	Fundraising costs £	Governance £	Supporting sustainable development £
Office costs and sundries	See I.17	17,530	1,143	6,859
Staff costs - training and recruitment	See I.17	-	-	-
Wages and salaries	See I.17	9,896	772	4,633
National insurance	See I.17	541	46	272
		<u>27,967</u>	<u>1,961</u>	<u>11,764</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. SUPPORT COSTS (Continued)

	Education projects and overseas programme £	Total 2021 £	Total 2020 £
Office costs and sundries	12,576	38,108	46,696
Staff costs - training and recruitment	-	-	2,255
Wages and salaries	6,903	22,204	24,981
National insurance	373	1,232	1,886
	19,852	61,544	75,818

13. GOVERNANCE COSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Trustee administration	408	-	408	2,282
Support costs – governance	1,143	-	1,143	1,958
Staff costs (Including wages and salaries)	3,393	-	3,393	1,075
	4,944	-	4,944	5,315

14. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising voluntary income	58,744	47,683	106,427	163,148
Costs of generating funds	58,744	47,683	106,427	163,148
Supporting sustainable development	48,814	100,020	148,834	181,410
Education projects and overseas programme	40,679	24,811	65,490	123,214
Charitable activities	89,493	124,831	214,324	304,624
Expenditure on governance	3,380	1,564	4,944	5,315
	151,617	174,078	325,695	473,087

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**NOTES TO THE FINANCIAL STATEMENTS
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15. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total 2021 £	<i>Total 2020 £</i>
Supporting sustainable development	100,577	36,493	11,764	148,834	181,410
Education projects and overseas programme	<u>45,638</u>	-	<u>19,852</u>	<u>65,490</u>	<u>123,214</u>
Total	<u>146,215</u>	<u>36,493</u>	<u>31,616</u>	<u>214,324</u>	<u>304,624</u>

16. TRADING ACTIVITIES

Income from trading activities is attributable to the sale through Haggim appeals and ticket sales to online events. (2020 income from trading activities is attributable to event ticket sales and to the sale through Haggim appeals).

All turnover arose within the United Kingdom.

17. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2021 £	<i>2020 £</i>
Depreciation of tangible fixed assets: - owned by the charity	<u>4,624</u>	<u>3,482</u>

During the year, no Trustees received any remuneration (2020 - £nil).

During the year, no Trustees received any benefits in kind (2020 - £nil).

18. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner carried out the Independent Examination at a cost of £3,000 in 2021 (2020 - £2,520). Statutory accounts preparation fee is £nil in 2021 as the accounts were prepared internally (2020 - £nil).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	142,335	172,243
Social security costs	9,282	15,958
	<u>151,617</u>	<u>188,201</u>

The average monthly number of employees was: 4 (2020: 5) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2021	2020
	No.	No.
Staff	<u>3.3</u>	<u>4.5</u>

No employee received remuneration amounting to more than £60,000 in either year.

20. VOLUNTEERS

There is significant value in the contribution made to Tzedek by volunteers. The following table provides a summary of volunteering activities and number range of volunteers. Volunteers are unpaid and generally provide assistance on a part-time, ad-hoc basis.

Activities	Number of volunteers	
	2021	2020
	No.	No.
Trustees	5-10	5-10
Chair of overseas projects team	1	1
Overseas projects team	5-10	15-20
Ben Azzai participants and leaders	-	15-20
Ghana experience participants and leaders	-	20-25
Interns - education, communication and fundraising	15-20	5-10
Work experience	-	5-10
Other ongoing - finance, education, communication and fundraising	5-10	5-10
Sponsored events participants, event hosts et cetera	10-15	70+

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**NOTES TO THE FINANCIAL STATEMENTS
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21. TANGIBLE FIXED ASSETS

	Computer equipment £	Software Systems £	Total £
Cost			
At 1 April 2020	3,600	17,118	20,718
Additions	-	-	-
Disposals/written off	-	-	-
At 31 March 2021	<u>3,600</u>	<u>17,118</u>	<u>20,718</u>
Depreciation			
At 1 April 2020	1,600	2,282	3,882
Add back on dispositions	-	-	-
Charge for the year	<u>1,200</u>	<u>3,424</u>	<u>4,624</u>
At 31 March 2021	<u>2,800</u>	<u>5,706</u>	<u>8,506</u>
Net book value			
At 31 March 2021	<u>800</u>	<u>11,412</u>	<u>12,212</u>
At 31 March 2020	<u>2,000</u>	<u>14,836</u>	<u>16,836</u>

22. DEBTORS

	2021 £	2020 £
Trade debtors	-	-
Prepayments and accrued income	4,865	42,801
Tax recoverable	2,092	12,036
	<u>6,957</u>	<u>54,837</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. CREDITORS:
Amounts falling due within one year

	2021 £	2020 £
Trade creditors	11,062	7,539
Accruals and deferred income	22,373	42,422
	33,435	49,961

Accruals and deferred income includes deferred income of £16,233 (2020 - £21,750).

Deferred income

Deferred income at 1 April 2020		21,750
Resources deferred during the year		16,233
Amounts released from previous years		(21,750)
Deferred income at 31 March 2021		16,233

The income deferred at the year end relates to the following:

	2020 £	2020 £
Pears Foundation core grant	12,500	18,750
SHORESH Trust - Restricted	2,983	3,000
Open Gate Trust - Restricted	750	-
Total	16,233	21,750

24. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Carried forward £
General funds	82,029	201,693	(259,532)	24,190
Restricted funds	4,598	74,855	(66,163)	13,290
	86,627	276,548	(325,695)	37,480

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**NOTES TO THE FINANCIAL STATEMENTS
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25. SUMMARY OF RESTRICTED FUND MOVEMENTS

	Brought Forward £	Incoming Resources £	Resources Expended £	Carried Forward £
Education				
Twinning programme and delivery of workshops and training	4,598	6,000	(10,598)	-
Sustainable Development				
Small Overseas Projects	-	1,062	(1,062)	-
India COVID-19 Support	-	14,543	(14,543)	-
GDCA (including E4L)	-	53,250	(39,960)	13,290
Total	4,598	74,855	(66,163)	13,290

The aim of restricted donations in respect of education is to support our Twinning programme. Such donations have been used to deliver workshops with schools to increase the UK Jewish community's own sense of its global social responsibility and obligation to those in need; and to fund the salary of our twinning partner in Ghana to support the costs of work to enable the provision of education for life locally.

Restricted donations to support sustainable development are to support our overseas projects to aid non-Jewish beneficiaries by empowering communities to lift themselves above the poverty line. We apply a sustainable approach to international development by increasing the capabilities of local communities to earn, live and educate themselves.

Donations which were restricted to COVID-19 relief in India were made to aid the protection of those communities where we support development. Without this the opportunity to provide our usual developmental support in future may have been severely curtailed.

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	12,212	-	12,212	16,836
Current assets	41,680	17,023	58,703	119,752
Creditors due within one year	(29,702)	(3,733)	(33,435)	(49,961)
	24,190	13,290	37,480	86,627

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**NOTES TO THE FINANCIAL STATEMENTS
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27. OPERATING LEASE COMMITMENTS

At 31 March 2021 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Expiry date:				
Within 1 year	3,000	4,308	-	792
Between 2 and 5 years	4,182	-	-	396
Total	<u>7,182</u>	<u>4,308</u>	<u>-</u>	<u>1,188</u>

28. RELATED PARTY TRANSACTIONS

During the year under review the charity received aggregate unconditional donations from trustees amounting to £4,850 (2020 - £8,858).

During the year no trustees were remunerated for providing services (2020 - £nil).

In addition, during the year no trustees (2020 - 2) incurred expenses for travel and subsistence. Details of the amounts reimbursed or paid to third parties are as follows:

	Reimbursed to trustee	Paid to third Party	2021	2020
	£	£	£	£
Jonathan Middleburgh	-	-	-	180
Jonny Persey	-	-	-	103
	<u>-</u>	<u>-</u>	<u>-</u>	<u>283</u>