

**MB Foundation (also known as Mossad Horav Moshe
Aryeh Halevy)**

Financial Statements

31 March 2019

HAFFNER HOFF LTD

Accountants & statutory auditor

2nd Floor - Parkgates

Bury New Road

Prestwich

Manchester

M25 0TL

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Financial Statements

Year ended 31 March 2019

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MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report

Year ended 31 March 2019

The trustees present their report and the financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Charity registration number 222104

Principal office Fairways House
George Street
Prestwich
Manchester
M25 9WS

The trustees

Rabbi M Bamberger
M A Bamberger (Appointed 22 November 2018)
S Bamberger (Appointed 22 November 2018)

Auditor Haffner Hoff Ltd
Accountants & statutory auditor
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Bankers Barclays Bank Plc
Manchester City Office
PO Box 357
51 Mosley Street
Manchester
M60 2AU

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report *(continued)*

Year ended 31 March 2019

Structure, governance and management

MB Foundation is constituted under a trust deed dated 01 December 1958. It is a registered charity with a charity number being 222104.

Recruitment and appointment of new trustees would be in line with the trust deed 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 I D Bamberger 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.

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:-

1. Risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.
2. Risks that there are not sufficient investment income and donations to enable grants to be paid out. However, the trustees can reduce grants to match reduced income.

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

Risk management

The Trustees are responsible for the management of the risks faced by the Charity. A formal review of the charity's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- o Comprehensive strategic planning and budgeting;
- o Established organisational structure and lines of reporting;
- o Clear authorisation and approval levels.

Through the risk management processes established for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report *(continued)*

Year ended 31 March 2019

Objectives and activities

The objects of the charity are for the benefit of any such one or more charities as the trustees in their absolute and uncontrolled discretion may select.

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 and investments. The charity gives out grants in line with the above objects.

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.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report *(continued)*

Year ended 31 March 2019

Achievements and performance

The charity received £71,034 in donations during the year and £1,174,140 was paid out by way of grants and support costs. These grants were made in line with the stated objects of the charity.

The charity paid out £1,148,108 by way of grants. The grants have been summarised for ease of reference and a full list of grants is available upon a written request to the trustees. These grants were made in line with the stated objects of the charity as analysed below.

Grants (see Note 10 to the accounts) relate to the objects of the charity in the following way:-

- Advancement of the Jewish Faith - community projects amounting to £505,288.
- Advancement of Jewish education - Schools and Yeshivot amounting to £535,413.
- The relief of poverty amongst the Jewish Community amounting to £107,407.

The charity also had investment income receivable during the year amounting to £236,795 of which £199,388 related to investment income and £37,407 related to other interest receivable during the year. Costs associated with investment management amounted to £3,371. Some of the charity investments were sold in the year that resulted in a gain of £691,787. This is reflected on the face of the SOFA. The trustees revalued the investment syndicates during the year and the resulting revaluation was a reduction amounting to £174,022. The net effect of these two items is £517,765 as disclosed on the face of the SOFA.

The charity has low 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 was a net expenditure and movement of funds for the year amounting to £351,917.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report *(continued)*

Year ended 31 March 2019

Financial review

Investment performance

During the year the investments of the charity have performed as follows. The syndicate investments have produced a 10% return on the investments. The other investments have only produced a 1% return this year. This latter return is partly due to the income from the new investment purchased this year not receiving any income in the period.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and 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.

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

The impact of covid 19 is not thought to impact on this year's figures. The trustees will report on the impact next year.

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 £5,724,289, all of which are unrestricted and can only be realised by the disposal of the investment and syndicate property.

True and fair override

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charities governing document, The Charities Act 2011 and the relevant version of 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).

Plans for future periods

The trustees plan to continue raising funds for projects in line with the Trust Deed and to pursue those objectives and projects with all the resources available to the charity.

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Trustees' Annual Report *(continued)*

Year ended 31 March 2019

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 30 June 2020 and signed on behalf of the board of trustees by:

Rabbi M Bamberger
Trustee

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Independent Auditor's Report to the Trustees of MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Year ended 31 March 2019

Opinion

We have audited the financial statements of MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy) (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Independent Auditor's Report to the Trustees of MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy) (continued)

Year ended 31 March 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Independent Auditor's Report to the Trustees of MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy) *(continued)*

Year ended 31 March 2019

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Independent Auditor's Report to the Trustees of MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy) *(continued)*

Year ended 31 March 2019

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

For and on behalf of
Haffner Hoff Ltd
Accountants & statutory auditor

30 June 2020

The firm is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of The Companies Act 2006.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Statement of Financial Activities

Year ended 31 March 2019

		2019		2018
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	71,034	71,034	1,144,206
Investment income	5	236,795	236,795	383,330
Total income		<u>307,829</u>	<u>307,829</u>	<u>1,527,536</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	3,371	3,371	80,537
Expenditure on charitable activities	7,8	1,174,140	1,174,140	831,317
Total expenditure		<u>1,177,511</u>	<u>1,177,511</u>	<u>911,854</u>
Net gains/(losses) on investments	11	517,765	517,765	(744,000)
Net expenditure and net movement in funds		<u>(351,917)</u>	<u>(351,917)</u>	<u>(128,318)</u>
Reconciliation of funds				
Total funds brought forward		6,076,206	6,076,206	6,204,524
Total funds carried forward		<u>5,724,289</u>	<u>5,724,289</u>	<u>6,076,206</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 14 to 22 form part of these financial statements.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	15	3,513,601	3,041,715
Current assets			
Debtors	16	2,408,545	3,438,794
Cash at bank and in hand		286,131	89,794
		<u>2,694,676</u>	<u>3,528,588</u>
Creditors: amounts falling due within one year	17	<u>483,988</u>	<u>494,097</u>
Net current assets		<u>2,210,688</u>	<u>3,034,491</u>
Total assets less current liabilities		<u>5,724,289</u>	<u>6,076,206</u>
Net assets		<u>5,724,289</u>	<u>6,076,206</u>
Funds of the charity			
Unrestricted funds		<u>5,724,289</u>	<u>6,076,206</u>
Total charity funds	18	<u>5,724,289</u>	<u>6,076,206</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 June 2020, and are signed on behalf of the board by:

Rabbi M Bamberger
Trustee

The notes on pages 14 to 22 form part of these financial statements.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Statement of Cash Flows

Year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Net expenditure	(351,917)	(128,318)
<i>Adjustments for:</i>		
Net gains/(losses) on investments	(517,765)	744,000
Interest and rents from investments	(199,388)	(340,023)
Other interest receivable and similar income	(37,407)	(43,307)
<i>Changes in:</i>		
Trade and other debtors	1,030,249	(153,937)
Trade and other creditors	(10,109)	294,271
Cash generated from operations	<u>(86,337)</u>	372,686
Interest received	37,407	43,307
Net cash (used in)/from operating activities	<u>(48,930)</u>	<u>415,993</u>
Cash flows from investing activities		
Interest and rents from investments	199,388	340,023
Purchases of other investments	(1,848,137)	(179,657)
Proceeds from sale of other investments	1,894,016	(584,562)
Net cash from/(used in) investing activities	<u>245,267</u>	<u>(424,196)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	1
Net cash from financing activities	<u>-</u>	<u>1</u>
Net increase/(decrease) in cash and cash equivalents	196,337	(8,202)
Cash and cash equivalents at beginning of year	89,794	97,996
Cash and cash equivalents at end of year	<u>286,131</u>	<u>89,794</u>

The notes on pages 14 to 22 form part of these financial statements.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements

Year ended 31 March 2019

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Fairways House, George Street, Prestwich, Manchester, M25 9WS.

2. Statement of compliance

The accounts (financial statements) have been prepared in accordance with the relevant version of 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) and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and 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 relevant version of 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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. It is therefore appropriate to prepare these accounts on a going concern basis.

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The main judgements, estimates or assumptions that affect the amounts reported are the valuation of the investment and syndicate properties. These are updated to fair value based on information prepared by the trustees.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements *(continued)*

Year ended 31 March 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, grants or rental income are 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.

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.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Investment property *(continued)*

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 syndicates

These represent investments in syndicate investment properties with a holding of less than 25%. The trustees have no influence of control on these investments. The valuation on the syndicate investment is commensurate with the balances in the syndicate capital account at the year end.

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.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements (continued)

Year ended 31 March 2019

3. Accounting policies (continued)

Financial instruments (continued)

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.

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. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	71,034	71,034	1,144,206	1,144,206

5. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Income from investment properties	199,388	199,388	340,023	340,023
Other interest receivable	37,407	37,407	43,307	43,307
	<u>236,795</u>	<u>236,795</u>	<u>383,330</u>	<u>383,330</u>

6. Investment management costs

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Rent collection	1,051	1,051	78,535	78,535
Interest payable	2,320	2,320	2,002	2,002
	<u>3,371</u>	<u>3,371</u>	<u>80,537</u>	<u>80,537</u>

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Charitable grants	1,148,108	1,148,108	819,603	819,603
Support costs	26,032	26,032	11,714	11,714
	<u>1,174,140</u>	<u>1,174,140</u>	<u>831,317</u>	<u>831,317</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2019 £	Total fund 2018 £
Charitable grants	1,148,108	19,749	1,167,857	825,137
Governance costs	–	6,283	6,283	6,180
	<u>1,148,108</u>	<u>26,032</u>	<u>1,174,140</u>	<u>831,317</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2019 £	Total 2018 £
General office	19,749	19,749	5,534
Governance costs	6,283	6,283	6,180
	<u>26,032</u>	<u>26,032</u>	<u>11,714</u>

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

10. Analysis of grants

	2019 £	2018 £
Grants to institutions		
BCGCT	45,750	107,750
Educational Grants	535,413	196,919
Grants £1,000-£5,000	70,600	58,842
Grants under £1,000	23,929	13,091
KBS	157,597	113,550
Kolyom Trust Limited	130,098	49,624
Relief Of Poverty Grants	107,407	135,679
Religious Grants	77,314	144,148
	<u>1,148,108</u>	<u>819,603</u>
Total grants in line with the objects of the charity	<u>1,148,108</u>	<u>819,603</u>

11. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/(losses) on syndicate investment property	691,787	691,787	-	-
Gains/(losses) on other investment assets	(174,022)	(174,022)	(744,000)	(744,000)
	<u>517,765</u>	<u>517,765</u>	<u>(744,000)</u>	<u>(744,000)</u>

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements (continued)

Year ended 31 March 2019

12. Auditors remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>4,800</u>	<u>4,800</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>1,200</u>	<u>1,380</u>

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 or expenses reimbursed by the trustees.

15. Investments

	Syndicate investment properties £	Other investments properties £	Total £
Cost or valuation			
At 1 April 2018	1,241,715	1,800,000	3,041,715
Additions	1,447,257	400,880	1,848,137
Disposals	(602,229)	(600,000)	(1,202,229)
Fair value movements	(174,022)	–	(174,022)
At 31 March 2019	<u>1,912,721</u>	<u>1,600,880</u>	<u>3,513,601</u>
Carrying amount			
At 31 March 2019	<u>1,912,721</u>	<u>1,600,880</u>	<u>3,513,601</u>
At 31 March 2018	<u>1,241,715</u>	<u>1,800,000</u>	<u>3,041,715</u>

All investments shown above are held at valuation.

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements (continued)

Year ended 31 March 2019

15. Investments (continued)

Syndicate investment properties

Investments in UK investment property comprise investments made in various property syndicates in the UK. The percentage holding in these syndicates ranges from 2% to 22%. The trustees do not exert any significant influence or control over these investments.

Valuation of UK investment property is fair value in the opinion of the trustees.

Other investment properties

Other UK Investments represents properties wholly owned by the charity and the carrying amount is fair value in the opinion of the trustees.

16. Debtors

	2019 £	2018 £
Other debtors	<u>2,408,545</u>	<u>3,438,794</u>

17. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	100,600	100,600
Accruals and deferred income	6,000	6,000
Social security and other taxes	–	5,677
Other creditors	<u>377,388</u>	<u>381,820</u>
	<u>483,988</u>	<u>494,097</u>

The bank loans are secured on the investment property of the charity.

18. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2018 £	Income £	Expenditure £	Gains and losses £	At 31 Mar 2019 £
General funds	<u>6,076,206</u>	<u>307,829</u>	<u>(1,177,511)</u>	<u>517,765</u>	<u>5,724,289</u>

	At 01 Apr 2017 £	Income £	Expenditure £	Gains and losses £	At 31 Mar 2018 £
General funds	<u>6,204,524</u>	<u>1,527,536</u>	<u>(911,854)</u>	<u>(744,000)</u>	<u>6,076,206</u>

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2019 £
Investments	3,513,601	3,513,601
Current assets	2,694,676	2,694,676
Creditors less than 1 year	(483,988)	(483,988)
Net assets	<u>5,724,289</u>	<u>5,724,289</u>

	Unrestricted Funds £	Total Funds 2018 £
Investments	3,041,715	3,041,715
Current assets	3,528,588	3,528,588
Creditors less than 1 year	(494,097)	(494,097)
Net assets	<u>6,076,206</u>	<u>6,076,206</u>

20. Related parties

Rabbi M Bamberger, trustee of the MB Foundation, is a brother of Mr I D Bamberger. The charity has lent funds to Mr I D Bamberger in a previous period and this has now been repaid to the charity.

21. Taxation

MB Foundation (also known as Mossad Horav Moshe Aryeh Halevy) 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.