

Charity Registration No. 1087870

Company Registration No. 03961330 (England and Wales)

CMZ LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

CMZ LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P Schneeberg Mr S Steinmetz Mr C Gottesfeld	(Appointed 19 July 2019)
Secretary	Mr B Goldberg	
Charity number	1087870	
Company number	03961330	
Registered office	32 Castlewood Road London N16 6DW	
Auditor	Glazers 843 Finchley Road NW11 8NA	
Bankers	Lloyds 31-33 Holloway Road Highbury & Islington N7 8JU	

CMZ LTD

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CMZ LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity's objects are the advancement of the Orthodox Jewish religion, to aid in the provision of, and improvement of, educational facilities and to assist in the alleviation of poverty of, in particular, the Orthodox Jewish community.

The charity's funds are utilised in supporting other charities with similar objectives especially in helping persons in conditions of need, hardship and distress in the Orthodox Jewish community and the advancement of the Orthodox Jewish religion.

The trustees have paid due regard to the general guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

Grants are made at the trustees' discretion from their knowledge of the various institutions, applications by individuals must be accompanied by a letter of recommendation by the applicant's minister or other known religious leader that meets the criteria as defined by its charitable objectives.

The charity also operates a voucher system whereby each donor is given the equivalent amount of vouchers out of which the donor makes donations to charitable entities and individuals of their choice that meets the criteria as defined by CMZ Ltd's charitable objects

Achievements and performance

The trustees are satisfied with the progress made this year. The charity continued its charitable activities in support of the poor and needy, religious and education institutions. It succeeded in attracting substantially more donations which is reflected in the increase in incoming resources which were approximately 11% (4% 2019 on 2018) higher than last year. Donations it made to others also increased by approximately 7% (3% 2019 on 2018) on last year.

Financial review

The charity's income increased during the year. Charity's income from donations, interest, donations in kind and tax refunds was £3,940,365 (2019: £3,547,715) and grants made were £3,755,219 (2019: £3,497,747). It is the policy of the charity to maintain unrestricted funds, which are the free reserve, at a level, which the trustees think appropriate after considering future commitments and likely administrative costs for the next year. The balance of unrestricted funds held as at 31st March 2020 was £325,242 (2019: £165,039).

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

The charity plans to carry on their policy of making grants in pursuant of its objects and continue its activities, as outlined above, for the foreseeable future.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 24th March 2000.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr E Gottesfeld

(Resigned 19 July 2019)

Mr P Schneebalg

Mr S Steinmetz

CMZ LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Mr C Gottesfeld

(Appointed 19 July 2019)

Suitable recruitment and training procedures have been applied to appoint new trustees, in line with the charity's recruitment and induction policies. The trustees administer the day to day running of the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

The charity currently has no investments

The charity operates from an office rent free provided by Friends of Wiznitz. Details of related party transactions appear in the notes to the financial statements.

Statement of trustees' responsibilities

The trustees, who are also the directors of CMZ LTD for the purpose of company law, 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

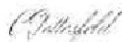
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr C Gottesfeld

Trustee 22 Dec 2020

Dated:

CMZ LTD

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CMZ LTD

Opinion

We have audited the financial statements of CMZ LTD (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

CMZ LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CMZ LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.


Glazers
Chartered Accountants
Statutory Auditor


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843 Finchley Road
London
NW11 8NA

Glazers is eligible for appointment as auditor of the #cy3 by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006")

CMZ LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Total 2019 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	3,937,751	3,545,115
Investments	4	14	-
Other income	5	2,600	2,600
Total income		3,940,365	3,547,715
<u>Expenditure on:</u>			
Charitable activities	6	3,780,162	3,518,080
Net income for the year/ Net movement in funds		160,203	29,635
Fund balances at 1 April 2019		165,039	135,404
Fund balances at 31 March 2020		325,242	165,039

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CMZ LTD

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	11	147,161		186,341	
Cash at bank and in hand		218,782		56,546	
		<u>365,943</u>		<u>242,887</u>	
Creditors: amounts falling due within one year	12	(40,701)		(77,848)	
Net current assets			325,242		165,039
Income funds					
Unrestricted funds			325,242		165,039
			<u>325,242</u>		<u>165,039</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

22 Dec 2020

The financial statements were approved by the Trustees on



Mr C Gottesfeld

Trustee

Company Registration No. 03961330

CMZ LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	14		162,222		(29,675)
Investing activities					
Interest received		14		-	
Net cash generated from/(used in) investing activities			14		-
Net cash used in financing activities					-
Net increase/(decrease) in cash and cash equivalents			162,236		(29,675)
Cash and cash equivalents at beginning of year			56,546		86,221
Cash and cash equivalents at end of year			218,782		56,546

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

CMZ LTD is a public benefit entity and a private company limited by guarantee incorporated in England and Wales. The registered office is 32 Castlewood Road, London, N16 6DW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The preparation of these financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds	Total
	2020 £	2019 £
Donations and gifts	3,937,751	3,545,115

Included in donations receivable is :-

- £70,000 (2019: £52,500) from Friends of Wiznitz Ltd, £211,500 (2019: £281,000) from C M A Community Nursery Trust Ltd, and £35,150 (2019: £52,500) from Berest Charities, charities of which Mr E Gottesfeld a close family member of a trustee of CMZ Ltd is a trustee; and
- £393,000 (2019: £185,000) from Ahavath Chessed Charitable Association Ltd., Mr H Feldman, who wields significant influence, is a trustee of Ahavath Chessed Charitable Association Ltd and Friends of Wiznitz Ltd a connected charity.

4 Investments

	Unrestricted funds	Total
	2020 £	2019 £
Interest receivable	14	-

5 Other income

	Unrestricted funds	Total
	2020 £	2019 £
Donations in Kind	2,600	2,600

This represents trustees estimation of rental value of office provided rent free by The Friends of Wiznitz Ltd, a connected charity.

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Charitable activities

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Grant funding of activities (see note 7)	3,755,219	3,497,748
Share of support costs (see note 8)	12,871	6,688
Share of governance costs (see note 8)	12,072	13,644
	<u>3,780,162</u>	<u>3,518,080</u>

7 Grants payable

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Grants to institutions:		
The Lolev Charitable Trust	16,001	296,245
One Heart Lev Echod	147,205	180,937
Friends of Beis Chinuch Lebonos Trust	115,040	163,909
Friends of Beis Soroh Schneirer	90,065	141,090
Mifal Hachessed Vehatzedokoh	156,193	139,713
Yesamach Levav	39,221	122,304
Edu poor Limited	152,477	76,440
Friends of Wiznitz Ltd	102,307	42,166
The Rehabilitation Trust	135,735	71,120
Lehachzikom	96,098	72,001
Friends of Mercas Hatorah Belz Macnivka	72,000	97,906
Amud Hatzdokoh Trust	136,020	9,394
Keren Hatzolas Doros	102,744	10,000
Care All Ltd	128,067	47,700
Support the charity worker	155,852	22,000
Other	1,677,670	1,414,635
	<u>3,322,695</u>	<u>2,907,560</u>
Grants to individuals	432,524	590,188
	<u>3,755,219</u>	<u>3,497,748</u>

The complete list of grants to institutions has been detailed in a separate publication, copies of which can be obtained, and are available to the public, by writing to The Secretary, C.M.Z. Ltd, 26 Lampard Grove, London N16 6XB.

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Premises	2,600	-	2,600	2,600
General office	10,271	-	10,271	4,088
Audit fees	-	1,320	1,320	2,760
Accountancy	-	6,220	6,220	6,740
Legal and professional	-	2,710	2,710	2,520
Finance costs	-	1,822	1,822	1,624
	<u>12,871</u>	<u>12,072</u>	<u>24,943</u>	<u>20,332</u>
Analysed between				
Charitable activities	<u>12,871</u>	<u>12,072</u>	<u>24,943</u>	<u>20,332</u>

Support cost is spent in the proportion of approximately 15% : 85% on donations to individuals and Institutions respectively.

Governance costs includes payments to the auditors of £1,320 (2019- £2,760) for audit fees.

9 Trustees

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

10 Employees

There were no employees during the year.

11 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Other debtors	<u>147,161</u>	<u>186,341</u>

Included in debtors is a loan of £10,000 (2019: £10,000) to Mr M.M.Gottesfeld. Mr M. M. Gottesfeld is a close family member of Mr C Gottesfeld, a trustee of the charity. The loan is guaranteed by Mr N. Berkowitz.

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other creditors	<u>40,701</u>	<u>77,848</u>

CMZ LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Related Parties

CMZ Ltd occupies rent free, an office provided by Friends of Wiznitz Ltd, a charity of which a close family member of Mr C Gottesfeld is a trustee. CMZ Ltd donated £102,307 (2019: £42,166) to Friends of Wiznitz Ltd. This represents the sum total of CMZ Ltd vouchers presented by Friends of Wiznitz Ltd to CMZ Ltd for payment.

14 Cash generated from operations	2020 £	2019 £
Surplus for the year	160,203	29,635
Adjustments for:		
Investment income recognised in statement of financial activities	(14)	-
Movements in working capital:		
Decrease in debtors	39,180	14,046
(Decrease) in creditors	(37,147)	(73,356)
Cash generated from/(absorbed by) operations	162,222	(29,675)

- 15 **Analysis of changes in net funds**
The charity had no debt during the year.