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MITZVAH DAY UK CHARITABLE TRUST

TRUSTEES REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2018

CHARITY NUMBER: 1125682

MITZVAH DAY UK CHARITABLE TRUST

CONTENT AND LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2018

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Trustees

L Marks  
D Pears  
B Rich (Resigned 19 June 2019)  
L Sidney  
E Bondor (Resigned 20 September 2018)  
R Laikin (Resigned 20 September 2018)  
M Livingston  
J Falb-Mizrahi  
E Shuker (Appointed 15 May 2018)  
P Oppenheimer (Appointed 26 March 2019)  
D Morris (Appointed 29 May 2019)

Address for Enquiries

Office 2  
353-359 Finchley Road  
London  
NW3 6ET

Bankers

HSBC Plc  
18a Curzon Street  
London NW4 3LE

Independent Examiners

SPW (UK) LLP  
Chartered Accountants  
Gable House  
239 Regents Park Road  
London N3 3LF

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees submit their annual report and the financial statements for the year ended 31 December 2018. The Trustees have complied with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preparing the annual report and financial statements of the charity.

Status

The charity is a charitable trust and was set up in August 2008. The trust was given charitable status by the Charity Commissioners in the same month, registration number 1125682.

Objectives and activities

The charity's objectives are to promote good citizenship by encouraging and facilitating volunteering opportunities in furtherance of charitable causes for the benefit of the public, principally but not exclusively amongst the Jewish community, and to build social cohesion.

Mitzvah Day exists to bring people of all faiths and backgrounds together through hands-on social action projects, primarily on one collective day of action each year in November. It is proudly Jewish-led, and whilst over 90% of our 1,200 or so UK-based projects are run by Jewish groups, it has also become a prominent vehicle for Jewish-led interfaith activity. In order to maintain and enhance the links between participating Partner communities and charities, interfaith relationships, awareness of Mitzvah Day and, ultimately, funding, Mitzvah Day has also developed and supports projects which run throughout the year.

Our key objectives are to steadily grow and continually improve Mitzvah Day, to keep the brand alive throughout the year in order to strengthen the core of the charity and to encourage year-round community building & social cohesion and act as a springboard for year-round social action, to develop and action a fundraising plan to enable growth and organisational development, to better measure the impact of Mitzvah Day, and to ensure that our lay and professional team continues to develop and grow in a supportive environment.

The Trustees have complied with their duty to have due regard to guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Trustees

The Trustees being members of the Management Committee throughout the period were: L Marks, D Pears, L Sidney, M Livingston and J Falb-Mizrahi. E Bondor and R Laikin resigned as trustees in September 2018. E Shuker joined as a trustee in May 2018. P Oppenheimer joined as a trustee in March 2019. D Morris joined as a trustee in May 2019. B Rich resigned as a trustee in June 2019.

Achievements and performance

In 2018 the charity celebrated its ten-year anniversary with a 'Chicken Soup Challenge', delivering 2,500 portions of soup to homeless people in the UK alone. This was run in partnership with Muslim Aid.

We built new partnerships and extended our work in South Africa through partnering with Mensch, and had new projects in Rwanda.

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Achievements and performance

/...continued

The Mitzvah Day awards evening has now become an established evening of celebration where we acknowledge our key volunteers, coordinators and their communities' projects.

In order to better understand how we could best support and engage with our coordinators, we undertook a survey to ask them what they were looking for from Mitzvah Day.

During 2018 there were a number of staffing changes, the most significant being the Executive Director moving to a new role in the community and the recruitment process beginning to hire a replacement. As such the previous Executive Director completed their term in the post on January 4<sup>th</sup> 2019 and the new Chief Executive was appointed and joined the organization on March 11<sup>th</sup> 2019. In addition, there were some changes to membership of the Board of Trustees.

Structure, governance and management

The Trustees are responsible for the strategy and direction of Mitzvah Day. Responsibility for the day-to-day running of the charity is devolved to the staff - a full-time, paid Executive Director, Project Coordinator and Interfaith Coordinator, as well as a part-time contracted Operations Manager and Bookkeeper.

Over the year there are a number of Trustees' meetings examining different aspects of the charity's requirements, ensuring that the charity is running as it should, with a special emphasis on strategy, finances, risk management and staffing.

Volunteers

The charity is extremely grateful for the unstinting efforts of its volunteers who are involved in the charity's work. It is estimated that over 75,000 volunteer hours were provided during the year. If this is conservatively valued at £7 an hour, the volunteer effort amounts to over £525,000. In addition, on Mitzvah Day in 2018, goods were collected for distribution to those in need; these were valued at approximately £40,000.

Key facts

Over 40,000 volunteers  
731 Partner organizations running a Mitzvah Day  
30 Countries  
115 interfaith projects  
30 MPs giving their time  
150 local charities benefitting in a meaningful way

Plans for future periods

Our ambition is to continue to build on this success. We intend to continue to extend the geographic coverage of our activities, including internationally, and promote Mitzvah Day more extensively within the areas in which we already operate. We will also continue to build stronger links with other faiths through shared activities and projects, and build bridges within our own community.

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

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Risk statement

The Trustees have considered the broad areas of risk for the charity and have put in place measures to mitigate or negate those risks. This is kept under review and specialist advice sought where necessary.

Mitzvah Day as an organization operates strict financial controls and continually monitors the position. Some of the key controls are:

- i) Formal agendas and minutes of meetings
- ii) Annual budgets
- iii) Management accounts
- iv) Written formal procedures

Financial review

This year we raised £199,959 (2017: 196,847) thanks to the generous support of our donors and we spent £224,933 (2017: £192,361). This has resulted in a deficit of £24,974 (2017: surplus of £4,486) which has been covered by reserves. It is planned to break even in the year to 31<sup>st</sup> December 2019 and everyone is working hard towards this.

We have a target-funding requirement of £225,000 for the year to 31<sup>st</sup> December 2019, representing a modest increase on 2018's requirement. In addition, we will be increasing the scope of our interfaith work, international reach and of our year-round work. The Trustees are determined to maintain overheads at a low level to further reduce the cost per volunteer hour.

Reserves and investment policy

The Trustees regularly review the reserves required to meet known and estimated expenditure for the running of projects.

The Mitzvah Day Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of 3 to 6 months should a shortfall in income occur, and to take account of potential risks and contingencies that may arise from time to time.

This policy is reviewed at the Annual Trustee Strategy meeting each year. The Executive Director will present the Trustee Board with a draft document and supporting materials that enables them to make an informed decision about levels of Reserves and feeds into their approval of the Strategy Document and Annual Operating Budget.

Any funds, surplus to immediate requirements, are held on bank deposit.

Independent examiners

The Trustees intend to appoint SPW (UK) LLP to undertake the independent examination of the Trust in the following year.

Signed on behalf of the Trustees on

17/9/19.

  
L Marks - Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

MITZVAH DAY UK CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of Mitzvah Day UK Charitable Trust (the 'Charity') for the year ended 31 December 2018, which are set out on pages 3 to 7.

RESPONSIBILITIES AND BASIS OF REPORT

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

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. 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.

INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

  
Paul Winter  
SPW (UK) LLP  
Chartered Accountants  
Gable House  
239 Regents Park Road  
London N3 3LF

Date:

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2018

		<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>2018</u>	<u>Total</u> <u>2017</u>
<b>Income from</b>	<b>Notes</b>				
Donations and Legacies		122,288	-	122,288	112,278
Charitable Activities					
Grants		64,000	13,633	77,633	84,550
Investment Income		38	-	38	19
		<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Income		<u>186,326</u>	<u>13,633</u>	<u>199,959</u>	<u>196,847</u>
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
<b>Expenditure on</b>					
Raising funds					
Project Expenses	2	18,776	2,375	21,151	16,956
Charitable activities					
Support Costs	3	181,119	11,258	192,377	166,134
Governance Costs	4	11,405	-	11,405	9,271
		<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Expenditure		<u>211,300</u>	<u>13,633</u>	<u>224,933</u>	<u>192,361</u>
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
<b>Net Income/ (Expenditure)</b>					
<b>Before transfers</b>		(24,974)	-	(24,974)	4,486
Fund balance brought Forward		77,820	-	77,820	73,334
		<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Fund balance carried Forward		<u>£52,846</u>	<u>£-</u>	<u>£52,846</u>	<u>£77,820</u>
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>



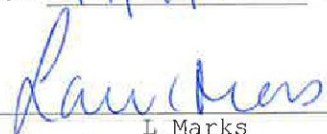
BALANCE SHEET AS AT 31 DECEMBER 2018

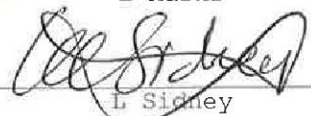
<b>Fixed Assets</b>	<b>Notes</b>		<b>2017</b>
Tangible Assets	6	6,318	8,499
<b>Current Assets</b>			
Other Debtors	7	4,037	5,528
Cash at Bank and in Hand		56,761	87,877
		60,798	93,405
<b>Current Liabilities</b>			
Other Creditors	8	14,270	24,084
Net Current Assets		46,528	69,321
<b>NET ASSETS</b>		<b>£52,846</b>	<b>£77,820</b>

FUNDS

<b>Unrestricted Funds</b>			
Balance at start of year		77,820	73,334
Net Surplus/(Deficit) for year		(24,974)	4,486
Balance at end of year	9	£52,846	£77,820

Approved by the Trustees on 17/9/19 and signed on its behalf by:

  
 L Marks

  
 L Sidney

Trustees



NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

CHARITY INFORMATION

Mitzvah Day UK Charitable Trust is registered as a charity with the Charity Commission in England and Wales. The principal office address is Office 2, 353-359 Finchley Road, London, NW3 6ET.

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)." The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements 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.

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.

INCOMING RESOURCES

Donations and grants are included in incoming resources when received.

Income from fund raising events is included in incoming resources when the event takes place.

Investment income is included in incoming resources on the accruals basis.

RESOURCES EXPENDED

Expenditure is accounted for on the accruals basis.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

/...continued

**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 aim and use of each restricted fund is set out in the notes to the accounts.

**TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, Fittings and Equipment	25% Straight line basis
Computer Equipment	25% Straight line basis
Website Development	25% reducing balance basis

**IMPAIRMENT OF FIXED ASSETS**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered a material impairment loss. If a material impairment loss arises then it is recognised in the profit and loss account or against the revaluation reserve if the asset has been revalued.

**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.

**BASIC FINANCIAL ASSETS**

Basic financial assets, which include debtors and bank balances, are measured at transaction price and subsequently carried at cost less impairment losses for bad and doubtful debts as they are receivable within one year.

**BASIC FINANCIAL LIABILITIES**

Basic financial liabilities, which include creditors, are initially recognised at transaction price and are not amortised as they are payable within one year.

**RETIREMENT BENEFITS**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

/...continued

2.	<u>CHARITABLE ACTIVITIES</u>	<u>2018</u>	<u>2017</u>
	Project Expenses	£21,151 =====	£16,956 =====
3.	<u>SUPPORT COSTS</u>	<u>2018</u>	<u>2017</u>
	Rent	14,430	14,145
	Business Rates	1,057	927
	Insurance	1,004	980
	Computer Expenses	6,441	6,165
	Telephone	1,715	1,827
	Printing, Postage & Stationery	4,515	4,052
	Public Relations	24,970	15,269
	Travel	3,289	2,642
	Depreciation	2,320	2,932
	Bank Charges	26	104
	Sundry	1,593	1,850
	Staff Training	840	900
	Wages and Salaries	130,177	114,341
		£192,377 =====	£166,134 =====
4.	<u>GOVERNANCE COSTS</u>	<u>2018</u>	<u>2017</u>
	Accountancy Fees	1,200	1,200
	Legal and Professional Fees	10,205	8,071
		£11,405 =====	£9,271 =====

5. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

The trustees neither received nor waived any emoluments or reimbursed expenses during the year (2017: £nil).

6.	<u>TANGIBLE FIXED ASSETS</u>	Fixtures, Fittings and Equipment	Computer Equipment	Website Development	Total
	Cost				
	At 1 January 2018	834	3,380	13,800	18,014
	Additions in the year	139	-	-	139
		-----	-----	-----	-----
	At 31 December 2018	£ 973	£3,380	£13,800	£18,153
		=====	=====	=====	=====
	Depreciation				
	At 1 January 2018	525	2,952	6,038	9,515
	Charge for the year	165	214	1,941	2,320
		-----	-----	-----	-----
	At 31 December 2018	£ 690	£3,166	£ 7,979	£11,835
		=====	=====	=====	=====
	Net book value				
	At 31 December 2018	£ 283	£ 214	£ 5,821	£ 6,318
		=====	=====	=====	=====
	At 31 December 2017	£ 309	£ 428	£ 7,762	£ 8,499
		=====	=====	=====	=====

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

/...continued

7.	<b><u>DEBTORS</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
	Other Debtors and Prepayments	£4,037 =====	£5,528 =====
8.	<b><u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
	Trade Creditors	8,621	4,470
	Taxation and Social Security	3,249	3,414
	Other Creditors and Accruals	2,400	16,200
		£14,270 =====	£24,084 =====

9. **STATEMENT OF FUNDS**

	At 1 Jan 2018 £	Income £	Expenditure £	Transfers £	At 31 Dec 2018 £
Unrestricted Funds	77,820	186,326	(211,300)	-	52,846
Restricted Funds	-	13,633	(13,633)	-	-
	77,820	199,959	(224,933)	-	52,846

General funds represent the free funds of the charity, which are not specifically designated.

Restricted funds - this relates to the following two grants:

£3,650 was received from the London Community Foundation, and was used in relation to a study which was performed in order to assess the impact of Mitzvah Day and any ways in which it could improve.

£9,983 was received from the Shores Charitable Trust, and was used in relation to the additional staff costs which had arisen in the lead up to Mitzvah Day.