

Charity Registration No. 1117028

Company Registration No. 05915569 (England and Wales)

BETTER WORLD CHARITY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR



BETTER WORLD CHARITY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs E Marlow E C Shutes Mr D M Solomon
Charity number	1117028
Company number	05915569
Principal address	Kaye House 2 Monks Way London NW11 0AF
Registered office	2nd Floor 167-169 Great Portland St London W1W 5PF
Independent examiner	Sam Rogoff & Co Ltd 167-169 Great Portland St London W1W 5PF

BETTER WORLD CHARITY LIMITED

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BETTER WORLD CHARITY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report for Better World Charity Ltd (Reg No. 1117028/ Company number 05915569) and financial statements for the year ended 31 December 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) (effective 1 January 2019)".

Objectives and activities

The charity's objects, which are set out in its Memorandum of Association as follows;

- (a) To promote the spiritual and moral advancement of humanity through education, self-improvement and the encouragement of individuals to undertake a variety of volunteer programmes and in particular by promoting charitable activities.
- (b) To promote the education of Jewish individuals and the alleviation of poverty among Jewish and wider communities throughout the world.
- (c) Other charitable activities that the trustees may from time to time determine.
- (d) To advance the education of the public in general on the subject of Well-being and Mental Health

The trustees confirm that they have complied with their duty and referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities and setting its educational strategy and plans for the year.

The Charity carries out these objects for the public benefit by operating four main projects, known as the Rabbinical Training Academy (RTA), Tikun, Light Up A Life and the Three Principles Conference. Each works within its own designated budget and funds.

Rabbinic Training Academy

This programme aims to help create a better quality of Jewish Leader today for the challenges of tomorrow. Known as The Rabbinic Training Academy (RTA) it is a learning and development programme for Rabbinic students and their families who are beginning their professional journey in Communal Leadership and Education.

Traditionally, rabbis have spent the vast majority of their training focusing on Jewish law. They often train in a vacuum which is very different from many of the realities of the professional world they must face in their future leadership roles. Inexperienced in the wider world, they must assume the role of religious, moral and spiritual leadership and responsibility, which often places people's emotional well-being in their hands.

The RTA aims to change how rabbinic leaders operate and educate within their communities so that they become more open minded and humane, more humble and caring; more understanding in how to provide guidance and support in an ever changing world. This will enable rabbinic leaders to play a significant role in contributing towards a healthier Jewish community and ultimately a better world.

Tikun

The project shares spiritual and practical Jewish wisdom on a variety of issues, including happiness, developing healthy relationships and public contribution primarily, although not exclusively, for Jewish individuals. This has a profound effect both on the individual, as well as the society within which they live.

Tikun is not looking for people simply to learn, but to learn in order to do. For people to be better human beings rather than simply learning how to become one. It educates individuals to consider what their society, their community and their world needs, and for them to respond accordingly. Tikun aims for people to become role models and leaders who will inspire those around them and start to create a grass roots movement of social change.

BETTER WORLD CHARITY LIMITED

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

Light Up A Life (LUAL)

LUAL is an annual winter seasonal activity that aims to unite people from across London in an expansive volunteer and giving drive over the winter holidays, between the 25th December – 1st January. Working in conjunction with numerous other Charities and Organisations, large and small the project goals are:

- To place volunteers where they are needed most, in homeless shelters, hospitals, hospices, old age homes and care facilities across London.
- Through small acts of kindness, to give a feeling of warmth, care and love to those who may be feeling lonely or left out at that time of year.
- To demonstrate appreciation and thanks for the good we receive from the public services which are very often taken for granted in UK society.

3PUK Conference

The Three Principles Conference is a 3 day event which has been held virtually in 2020 and 2021 owing to the covid-19 pandemic. Prior to the pandemic the conference was held at a large conference in London. The aim of the conference is to unlock every individual's ability to discover an improved experience of life or wellbeing through an understanding of how the mind works in a relevant, enjoyable and accessible way.

When people feel comfortable with their own lives they are more able to live contently and more meaningfully contribute to the lives of others. With poor mental health becoming increasingly prevalent, the conference provides a means by which people may find their own sense of personal stability and wellbeing putting them on a path of resilience, healthy values and peace of mind.

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

Project Review and Development

The Trustees are continually looking to review and develop the current programmes to best satisfy the objectives of the charity. This is demonstrated by the RTA programme, one of whose aims is to better meet objectives in the education of Jewish individuals. As part of ongoing reviews this programme is continually being appraised so as to improve the experience of the those partaking in it and to further clarify the charity's aims for future years.

Achievements and Performance

Despite the covid-19 pandemic, 2020 saw the charity's programmes develop successfully in a difficult environment. The charity's move to a new premises has allowed the RTA programme to become more focused on the core areas as the participants are now able to study in a tailor-made environment exactly suited to their needs. However, the pandemic meant that nearly all learning had to take place online during lockdown although the effect on the programme was not as detrimental as it might have been and the programme was able to move forward during this very difficult period.

BETTER WORLD CHARITY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Brief highlights of successful programmes this year include:

- Despite the pandemic, the RTA programme took in a new cohort (Cohort Bet) in September 2020. This programme was changed from 24 months, the length of the pilot programme, to 18 months as it was felt that this was sufficient time to teach the syllabus. This was proved to be correct. This shorter programme also saves the charity money. Eight individuals started this programme with five completing the programme owing to a number of factors, the main one being the difficulties experienced with online learning and the effect of the covid-19 pandemic in general. This cohort is due to graduate in April 2022.

The third cohort of the RTA programme – Cohort Gimmel – started in September 2021. This programme comprises three couples and will last 12 months as the programme organisers believe that it can be further streamlined without significantly affecting the impact of the programme. Rabbinic ordination is now offered as part of the certification which should enable this cohort to more easily find employment after graduation. This cohort is also being offered the opportunity to train as wellbeing practitioners to enhance their skillset and which will provide a more complete rabbinic experience for the communities in which this cohort will work.

Despite the pandemic the RTA course continued to provide a wide variety of training including real-time and virtual site visits, discussion groups and interaction with community interest groups.

- Despite the pandemic, both the 2020 and 2021 3PUK Conferences had over 1000 attendees in a fully virtual setting. The price to attend the conference was greatly subsidised owing to them being online only and free places were given to all NHS workers as a gesture of thanks for the remarkable and difficult work done by them during the pandemic. In addition, a separate and free one day NHS track was offered which saw approximately 300 NHS workers attending. The organisers of the conference were delighted that so many NHS workers were able to take advantage of this offer and that they were able to give something back to those who are giving so much to the country during the covid-19 pandemic.

Even though these conferences were fully online, the events were received extremely positively and the feedback received was very encouraging especially in respect to the online nature of the conferences which worked far better than the organisers believed was possible. The conferences welcomed back many previous speakers as well as a number of new speakers some of whom have come through the Better World programme.

A live one day Three Principles event is due to take place in November 2021 which the organisers are hopeful will continue to be well attended and which will provide a stimulating environment in which to learn.

- Light Up A Life was also successful in 2020 with 1,200 volunteers giving their time to help the charity's projects. This was an increase of 42% over the previous year. The charity arranged 85 activities with some of the highlights being an Educational In School Wrap-A-Thon which saw over 800 school children from 6 Jewish High Schools wrapping chocolates which were then delivered to numerous locations including Norwood Care Homes, NHS Hospitals, Noah's Ark Children's Hospice, The Oli Leigh Trust and Hope for the Homeless in Barnet. There were also a wide range of virtual projects which included sending virtual Light Up A Life Chanukah cards to Jami, running virtual cooking sessions for AgeUK and running virtual arts and crafts activities for Camp Simcha.

Some of Light Up A Life's new partnerships in 2020 were with The Board of Deputies, the Yoni Yesner Foundation and JLGB.

BETTER WORLD CHARITY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Despite the covid-19 pandemic, 2020 was once again a successful year both in programme impact and for the financial affairs of the charity which has built upon its previous success in prudent financial planning, fundraising and the management of its activities and funds. It has continued to develop plans and has taken steps to increase its funding base, resources and programming to reflect the continuing demand for its services and activities.

The Trustees continue to be pleased with the level of funding generated from the activities themselves thus demonstrating that the charity is becoming less reliant on external private donations. It should be noted that this aspect has had no effect on the charity's programmes which are still wholly accessible to the financially disadvantaged with all programmes available to everyone regardless of their personal financial circumstances.

The Trustees have continued to consider various factors that could improve the charity's financial position going forward including employing a specialist fundraiser who will have the ability to tap into new funding opportunities which have not been previously considered.

As a charity that continues to raise a large proportion of its funds from private individuals, the Trustees recognise the major risk to the organisation should these donors choose not to give to the charity in the future. To mitigate that risk the Trustees are continually looking to expand the donor base and increase the geographic and demographic reach of its fundraising activities and efforts including instigating an online 'matching funds' fundraising campaign.

At the end of the accounting period the charity had reserves of £41,810. The Trustees feel it is sensible financial planning and management to accrue this level of reserves owing to the difficult economic environment caused by the pandemic and the effects this could have on the charity's ability to secure funding from donors.

At the time of writing this report, the covid-19 pandemic is still having an impact and its effects are still being felt by the charity and in society as a whole. However, we are pleased that Better World Charity has secured funding into 2022 and that its financial position is ensured for the foreseeable future. However, the Trustees feel that, owing to the continuing effects of the pandemic, the fundraising situation remains difficult to predict and fluid in nature. Consequently, the Trustees are closely monitoring the levels of funding being received by the charity and its financial position in general and we believe we have taken due care to ensure that changes have been and will be implemented to ensure the going concern of Better World Charity Ltd.

Structure, governance and management

The charity is a company limited by guarantee and its governing documents therefore are its Memorandum and Articles of Association.

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

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:

Mrs E Marlow

E C Shutes

Mr D M Solomon

P Crocker

(Appointed 15 December 2020 and resigned 7 July 2021)

There is no specific policy in place for the recruitment, appointment, induction and training of trustees.

BETTER WORLD CHARITY LIMITED

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

All trustees gave of their time freely and no trustee remuneration was paid during this year.

During 2021 Better World Limited relocated to its new operating premises at Kaye House, 2 Monks Way, London, NW11 0AF.

The organisations registered address remains at 2nd Floor, 169 Great Portland Street, London, W1W 5PF and the website address remains as <https://betterworldcharity.org/>

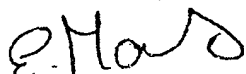
The affairs of the charity are governed by the Board of Trustees, of which Mrs Marlow is the Chairperson. They are responsible for setting the strategic direction of the charity, consideration of reserves, risk management, performance review and setting general organisational policy.

The Board of Trustees have decided to delegate the day to day operation of the organisation to its Management Committee, which reports directly to the Board of Trustees. From time to time the Management Committee contracts with specialised consultants and involves experienced volunteers from the business community in a variety of areas in order to establish best practice in the organisation's activities. The Management Committee operates the charity along departmental lines. The Chief Executive Officer continued to be Shaul Rosenblatt and Avril Robbins was appointed as Chief Operating Officer during the year.

The Trustees regularly assess the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the significant potential risks.

The trustees' report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



Mrs E Marlow

Trustee

Dated: 27 September 2021

BETTER WORLD CHARITY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BETTER WORLD CHARITY LIMITED

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the accounts of Better World Charity Limited (the charity) for the year ended 31 December 2020, which comprises the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 the charity (and also its directors for the purposes of company law) 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 accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 (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.

As permitted by Direction 2, issued by the Charity Commission the firm for which I work has provided the Company with bookkeeping services during the year ended 31st December 2020. As a consequence I have followed the requirement of the FRC's Ethical Standard when undertaking this assignment.

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.

Independent examiner's statement

Since the charity'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 ICAEW, which is one of the listed bodies.

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 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.

BETTER WORLD CHARITY LIMITED

INDEPENDENT EXAMINER'S REPORT (CONTINUED) TO THE TRUSTEES OF BETTER WORLD CHARITY LIMITED

Sam Rogoff & Co Ltd

Emily Brown BSC(Hons) FCA
ICAEW
Sam Rogoff & Co Ltd
167-169 Great Portland St
London
W1W 5PF

Dated: 27 September 2021

BETTER WORLD CHARITY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Voluntary Income	3	611,167	-	611,167	640,013	72,050	712,063
Charitable activities	4	44,644	-	44,644	129,142	-	129,142
Investments	5	4	-	4	49	-	49
Other income	6	199	-	199	-	-	-
Total income		656,014	-	656,014	769,204	72,050	841,254
<u>Expenditure on:</u>							
Charitable activities	7	622,818	14,400	637,218	778,205	56,900	835,105
Net income/(expenditure) for the year/ Net movement in funds		33,196	(14,400)	18,796	(9,001)	15,150	6,149
Fund balances at 1 January 2020		40,751	19,150	59,901	49,752	4,000	53,752
Fund balances at 31 December 2020		73,947	4,750	78,697	40,751	19,150	59,901

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.

BETTER WORLD CHARITY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		32,137		36,959
Current assets					
Stocks	12	300		300	
Debtors	13	2,964		11,842	
Cash at bank and in hand		57,872		55,795	
		61,136		67,937	
Creditors: amounts falling due within one year	14	(14,576)		(44,995)	
Net current assets			46,560		22,942
Total assets less current liabilities			78,697		59,901
Income funds					
Restricted funds			4,750		19,150
Unrestricted funds			73,947		40,751
			78,697		59,901

BETTER WORLD CHARITY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

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 December 2020.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

Under Companies Act 2006, S454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

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

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

The financial statements were approved by the Trustees on 27 September 2021



Mrs E Marlow
Trustee

Company Registration No. 05915569

BETTER WORLD CHARITY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	18		2,425		19,255
Investing activities					
Purchase of tangible fixed assets		(553)		(21,898)	
Proceeds on disposal of tangible fixed assets		199		-	
Investment income received		4		49	
Net cash used in investing activities			(350)		(21,849)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			2,075		(2,594)
Cash and cash equivalents at beginning of year			55,795		58,389
Cash and cash equivalents at end of year			<u>57,870</u>		<u>55,795</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Better World Charity Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 167-169 Great Portland St, London, W1W 5PF.

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) (effective 1 January 2019)". 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

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 Apportionment of Support Costs

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.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

BETTER WORLD CHARITY LIMITED

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

1 Accounting policies

(Continued)

Expenditure which cannot be attributable to a single activity has been apportioned between support costs and charitable activities on a reasonable, justifiable and consistent basis.

Management regularly reviews cost allocations and decides the apportionment between the various activities and functions supported by specific costs.

This includes:

- usage of a resource or activity in terms of time taken, capacity used
- per capita, based on the number of people employed within an activity
- time, where staff duties span more than one activity

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Other Assets	No depreciation required
Leasehold improvements	25% Reducing Balance
Plant and machinery	33% Reducing Balance
Fixtures, fittings & equipment	25% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 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.

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 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.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period).

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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 estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Voluntary Income

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020	2019	2019	2019
	£	£	£	£
Donations and gifts	609,135	640,013	72,050	712,063
Government Grant Income	2,032	-	-	-
	<u>611,167</u>	<u>640,013</u>	<u>72,050</u>	<u>712,063</u>
Donations and gifts				
Tikun	609,135	640,013	72,050	712,063
	<u>609,135</u>	<u>640,013</u>	<u>72,050</u>	<u>712,063</u>

During the year, Better World Charity Ltd received £2,032 of government grants under the Coronavirus Job Retention Scheme (CJRS).

4 Charitable activities

	Charitable income	Charitable income
	2020	2019
	£	£
Conferences/ Seminars/ Programmes	<u>44,644</u>	<u>129,142</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	4	49
	<u>4</u>	<u>49</u>

6 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	199	-
	<u>199</u>	<u>-</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	Unrestricted Expenditure £	Restricted Expenditure £	Total 2020 £	Total 2019 £
Conference Costs	76,899	-	76,899	138,724
Charitable assistance costs	-	14,400	14,400	56,900
Tikun Donations and Cost of Donations	15,787	-	15,787	43,923
Rabbi training activity	426,149	-	426,149	455,931
Light Up A Life Costs	5,576	-	5,576	-
	<u>524,411</u>	<u>14,400</u>	<u>538,811</u>	<u>695,478</u>
Support Costs (see note 8)	95,525	-	95,525	135,575
Governance Costs (see note 8)	2,882	-	2,882	4,052
	<u>622,818</u>	<u>14,400</u>	<u>637,218</u>	<u>835,105</u>
Analysis by fund				
Unrestricted funds	622,818	-	622,818	
Restricted funds	-	14,400	14,400	
	<u>622,818</u>	<u>14,400</u>	<u>637,218</u>	
For the year ended 31 December 2019				
Unrestricted funds	778,205	-		778,205
Restricted funds	-	56,900		56,900
	<u>778,205</u>	<u>56,900</u>		<u>835,105</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Staff costs	45,396	-	45,396	28,912	Support
Depreciation	5,373	-	5,373	6,959	Support
Rent and Rates	2,181	-	2,181	11,719	90% support
Accountancy	8,060	-	8,060	16,533	Support
Marketing and PR	-	-	-	5,773	Support
Travelling	-	-	-	11,590	Support
Premises & Insurance	3,039	-	3,039	12,214	Support
Light and Heat	874	-	874	865	Support
Postage and Stationery	392	-	392	5,690	Support
Telephone	963	-	963	4,742	Support
Software & Subscript.	1,432	-	1,432	11,152	Support
Consultancy	27,336	-	27,336	14,429	Support
Bank charges	479	-	479	4,997	Support
Legal and professional	-	2,640	2,640	2,750	Governance
Rent and Rates	-	242	242	1,302	10% Governance
	<u>95,525</u>	<u>2,882</u>	<u>98,407</u>	<u>139,627</u>	
Analysed between					
Charitable activities	<u>95,525</u>	<u>2,882</u>	<u>98,407</u>	<u>139,627</u>	

Governance costs includes payments to the independent examiners of £2,640 inclusive of VAT (2019: £2,750) for fees relating to the independent examination. Fees relating to bookkeeping, management accounts, payroll, statutory work and adhoc services totalled £8,060 inclusive of VAT (2019: £16,533).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. The charity did not meet any individual expenses incurred by the trustees for services provided to the charity.

10 Employees

The average monthly number of employees during the year was:

2020	2019
Number	Number
<u>9</u>	<u>9</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

(Continued)

Employment costs	2020 £	2019 £
Support Costs		
Wages and salaries	42,511	27,054
Social security costs	1,978	1,448
Other pension costs	907	410
	<u>45,396</u>	<u>28,912</u>
Charitable Activities		
Wages and salaries	154,142	128,141
Social security costs	11,026	9,501
Other pension costs	2,830	1,495
	<u>167,998</u>	<u>139,137</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Other Assets £	Leasehold improvements £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 January 2020	16,093	20,500	6,516	32,146	75,255
Additions	-	-	-	553	553
Disposals	-	-	(199)	-	(199)
At 31 December 2020	<u>16,093</u>	<u>20,500</u>	<u>6,317</u>	<u>32,699</u>	<u>75,609</u>
Depreciation and impairment					
At 1 January 2020	-	5,125	6,491	26,681	38,297
Depreciation charged in the year	-	3,844	25	1,505	5,374
Eliminated in respect of disposals	-	-	(199)	-	(199)
At 31 December 2020	<u>-</u>	<u>8,969</u>	<u>6,317</u>	<u>28,186</u>	<u>43,472</u>
Carrying amount					
At 31 December 2020	<u>16,093</u>	<u>11,531</u>	<u>-</u>	<u>4,513</u>	<u>32,137</u>
At 31 December 2019	<u>16,093</u>	<u>15,375</u>	<u>26</u>	<u>5,465</u>	<u>36,959</u>

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Tangible fixed assets

(Continued)

12 Stocks

	2020 £	2019 £
Finished goods and goods for resale	300	300

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	2,906	10,283
Other debtors	58	1,559
	<u>2,964</u>	<u>11,842</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	6,061	3,635
Trade creditors	2,200	8,451
Other creditors	925	25,626
Accruals and deferred income	5,390	7,283
	<u>14,576</u>	<u>44,995</u>

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £907 (2019 - £410).

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	32,137	-	32,137	36,959	-	36,959
Current assets/ (liabilities)	41,810	4,750	46,560	3,792	19,150	22,942
	<u>73,947</u>	<u>4,750</u>	<u>78,697</u>	<u>40,751</u>	<u>19,150</u>	<u>59,901</u>

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>70,096</u>	<u>84,726</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Related party name: CR Practice Ltd

Related party relationship: Company controlled by close family member of the chief executive officer

Transaction description: Provision of services looking after the wellbeing of staff and Rabbi's

Aggregate amount received in period: £30,771

BETTER WORLD CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18	Cash generated from operations	2020	2019
		£	£
	Surplus for the year	18,796	6,149
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4)	(49)
	Gain on disposal of tangible fixed assets	(199)	-
	Depreciation and impairment of tangible fixed assets	5,373	6,959
	Movements in working capital:		
	Decrease/(increase) in debtors	8,878	(1,834)
	(Decrease)/increase in creditors	(30,419)	8,032
	Cash generated from operations	2,425	19,257
		<hr/>	<hr/>
19	Analysis of changes in net funds		
	The charity had no debt during the year.		