

COMPANY REGISTRATION NUMBER: 2329032  
CHARITY REGISTRATION NUMBER: 803088

**Arachim Limited**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2024**

**HAFFNER HOFF LTD**

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

# Arachim Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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# Arachim Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

#### Reference and administrative details

<b>Registered charity name</b>	Arachim Limited
<b>Charity registration number</b>	803088
<b>Company registration number</b>	2329032
<b>Principal office and registered office</b>	2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
<b>The trustees</b>	A Lewin H L Morris Mr B S Barr
<b>Company secretary</b>	C A Morgenstern
<b>Independent examiner</b>	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

# Arachim Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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#### **Structure, governance and management**

Arachim Limited is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 16 December 1988 as a company and the company number is 2329032. It was registered as a charity on 04 April 1990 with a charity number 803088.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Rabbi Morgenstern on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

#### **Risk review**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

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

# **Arachim Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2024**

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#### **Objectives and activities**

##### **Objects**

The objects of the charity are the advancement of religion with the Orthodox Jewish Faith; the relief of poverty to apply the trust funds to such other purposes as are recognised by English law as charitable.

##### **Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

##### **Grant making policy**

The charity is funded by donations. The charity gives out grants in line with the above objects.

There were no individual grants made during the year.

Grants made during the year to institutions are as detailed in the accounts.

The application of the funds by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

##### **Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

# Arachim Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2024

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#### **Achievements and performance**

The charity received £55,095 in donations during the year. The charity had grants payable during the year amounting to £54,907. These grants were made to the religious institution of Arachim in Israel and are in line with the objects of the charity.

The charity incurred support costs of £1,240 during the year.

There were no material fundraising costs incurred during the year.

The charity has low governance costs comprising professional fees.

There were no investments made during the year.

There were no related party transactions in the reporting period.

There was an overall net expenditure and net movement in funds for the year amounting to £1,052.

#### **Financial review**

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

#### **Reserves policy**

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The trustees wish to keep reserves as low as possible in order to maximise paying out grants to Israel.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve practical for donations which are seasonal.

The free reserves, represented by the net current assets of the charity stand at £2,480, all of which are unrestricted.

The trustees' annual report and the strategic report were approved on 6 June 2024 and signed on behalf of the board of trustees by:

H L Morris  
Trustee

# Arachim Limited

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Arachim Limited

Year ended 31 March 2024

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I report to the trustees on my examination of the financial statements of Arachim Limited ('the charity') for the year ended 31 March 2024.

#### Responsibilities and basis of report

As the trustees of the company (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 company 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 as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

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:

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 accounts to be reached.

Mr Howard Schwalbe ACA  
Independent Examiner

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

6 June 2024

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# Arachim Limited

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

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		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	55,095	<b>55,095</b>	35,191
<b>Total income</b>		<u>55,095</u>	<u><b>55,095</b></u>	<u>35,191</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	56,147	<b>56,147</b>	35,569
<b>Total expenditure</b>		<u>56,147</u>	<u><b>56,147</b></u>	<u>35,569</u>
<b>Net expenditure and net movement in funds</b>		<u>(1,052)</u>	<u><b>(1,052)</b></u>	<u>(378)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		2,542	<b>2,542</b>	2,920
<b>Total funds carried forward</b>		<u>1,490</u>	<u><b>1,490</b></u>	<u>2,542</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

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The notes on pages 8 to 14 form part of these financial statements.

# Arachim Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2024

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	Note	2024 £	£	2023 £
<b>Fixed assets</b>				
Tangible fixed assets	14		–	1
<b>Current assets</b>				
Cash at bank and in hand		2,480		3,531
<b>Creditors: amounts falling due within one year</b>	15	<u>990</u>		<u>990</u>
<b>Net current assets</b>			<u>1,490</u>	<u>2,541</u>
<b>Total assets less current liabilities</b>			<u>1,490</u>	<u>2,542</u>
<b>Net assets</b>			<u>1,490</u>	<u>2,542</u>
<b>Funds of the charity</b>				
Unrestricted funds			<u>1,490</u>	<u>2,542</u>
<b>Total charity funds</b>	16		<u>1,490</u>	<u>2,542</u>

For the year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 6 June 2024, and are signed on behalf of the board by:

H L Morris  
Trustee

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The notes on pages 8 to 14 form part of these financial statements.

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2024

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2nd Floor - Parkgates, Bury New Road, Prestwich, Manchester, M25 0TL.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Fair value

Debtors and creditors are stated at fair value.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

##### Fund accounting

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

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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#### 3. Accounting policies *(continued)*

##### Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

Arachim Limited is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

#### 5. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2024 £</b>	Unrestricted Funds £	Total Funds 2023 £
<b>Donations</b>				
Donations	55,095	<b>55,095</b>	35,191	35,191

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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#### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2024 £</b>	Unrestricted Funds £	Total Funds 2023 £
Charitable grants	54,907	<b>54,907</b>	34,415	34,415
Support costs	1,240	<b>1,240</b>	1,154	1,154
	<u>56,147</u>	<u><b>56,147</b></u>	<u>35,569</u>	<u>35,569</u>

#### 7. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	<b>Total funds 2024 £</b>	Total fund 2023 £
Charitable grants	54,907	212	<b>55,119</b>	34,579
Governance costs	–	1,028	<b>1,028</b>	990
	<u>54,907</u>	<u>1,240</u>	<u><b>56,147</b></u>	<u>35,569</u>

#### 8. Analysis of support costs

	Analysis of support costs £	<b>Total 2024 £</b>	Total 2023 £
General office	212	<b>212</b>	164
Governance costs	1,028	<b>1,028</b>	990
	<u>1,240</u>	<u><b>1,240</b></u>	<u>1,154</u>

#### 9. Analysis of grants

	<b>2024 £</b>	2023 £
<b>Grants to institutions</b>		
Arachim, Israel	<b>54,907</b>	34,415
Total grants	<u><b>54,907</b></u>	<u>34,415</u>

#### 10. Net expenditure

Net expenditure is stated after charging/(crediting):

	<b>2024 £</b>	2023 £
Depreciation of tangible fixed assets	<u><b>1</b></u>	<u>–</u>

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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##### 11. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>990</u>	<u>990</u>

##### 12. Staff costs

The average head count of employees during the year was Nil (2023: Nil).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

##### 13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

##### 14. Tangible fixed assets

	Equipment £	Total £
<b>Cost</b>		
<b>At 1 April 2023 and 31 March 2024</b>	<u>1,299</u>	<u>1,299</u>
<b>Depreciation</b>		
At 1 April 2023	1,298	1,298
Charge for the year	<u>1</u>	<u>1</u>
<b>At 31 March 2024</b>	<u>1,299</u>	<u>1,299</u>
<b>Carrying amount</b>		
<b>At 31 March 2024</b>	<u>–</u>	<u>–</u>
At 31 March 2023	<u>1</u>	<u>1</u>

##### 15. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	<u>990</u>	<u>990</u>

# Arachim Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2024

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#### 16. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
General funds	<u>2,542</u>	<u>55,095</u>	<u>(56,147)</u>	<u>1,490</u>

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
General funds	<u>2,920</u>	<u>35,191</u>	<u>(35,569)</u>	<u>2,542</u>

#### 17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	–	–
Current assets	2,480	2,480
Creditors less than 1 year	(990)	(990)
<b>Net assets</b>	<u>1,490</u>	<u>1,490</u>

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	1	1
Current assets	3,531	3,531
Creditors less than 1 year	(990)	(990)
<b>Net assets</b>	<u>2,542</u>	<u>2,542</u>

#### 18. Taxation

Arachim Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.