

TZEDEK
(A Company Limited by Guarantee)
REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 2008

Company No. 2781146
Registered Charity No. 1016767

TZEDEK

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YEAR ENDED 31 MARCH 2008

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CHAIRMAN'S STATEMENT

2007/8 has been a remarkable year for Tzedek. As noted in last year's report, Trustees had resolved at last exceptionally to spend more on the organisation itself to build capacity so that in future we could achieve so much more.

Fortuitously, this decision came at the same time as the Pears Foundation increased its interest in our field of work, and their support encouraged and enabled us to raise our game significantly. We appointed our first ever full-time Executive Director, Dan Berelowitz, who hit the ground running and we have now moved into our first ever proper office, in the 'Hub', again kindly facilitated and subsidised by the Pears Foundation. Before that however, Sir Gerald Ronson kindly allowed us use of an office for free while we were waiting. Such generous helpfulness is what makes Tzedek work and we're hugely grateful to Sir Gerald for helping us out in this way.

The significant bid to the Department for Overseas Development, primarily designed by Adrian Sieff and Elaine Robinson, to fund increased educational work, also referred to in last year's report, was successful and we were in a position at last to try and make a noticeable impact on Jewish schools and other educational environments to encourage them to build concern for global poverty and knowledge of the issues of sustainable development in their curricula. The appointment of Vikki Lawrence as leader of the Jewish Global Citizenship programme, chaired by Elaine Robinson, has resulted in a considerably raised profile and ever-increasing work in this field. The second year faces the challenges of consolidation, expansion and embedding, so that when Tzedek is no longer in the schools helping them ensure that their children are properly educated in this crucial field, the schools continue to do it of their own accord.

In addition to this, more education events have taken place on an ad hoc basis (the Global Citizenship Project is no substitute for educating adults about our issues and developing campaigning in these directions) and one of our tasks for the coming year is to organise and intensify our education and campaigning side. To do this we need suitable volunteers who would like to see this aspect forward.

All this capacity building has gone on without a noticeable diminution in overseas grant making. Trustees had accepted that we might have to scale back our grant making significantly for a year or so, but through the excellent work of our Overseas Project Team, led by Will Schreiber and Ilana Levene, Tzedek has maintained its links abroad and refined its grant making processes as well as becoming more sophisticated and informed in its monitoring and evaluation of grants made.

The Volunteers Programme Team, led by Eve Naftalin, has built effectively on the work of their predecessors and has extensively improved the recruitment and orientation of volunteers this year. In addition, funding has been secured to appoint our first ever overseas worker, Peter Ndonwie, who will be based in Ghana during this year, making it easier for other volunteers to work there outside the usual period of our summer programme as well as develop closer links with projects we support in the Tamale area of Ghana.

Joel Clarke has vastly improved our newsletter which has appeared with unfailing regularity and ever increasing quality over the last year. Without doubt, this newsletter, Arevut (Responsibility), is a very important and impressive tool in showing what we do and aspire to do. Thanks too to Hilary Bentwood for her work on design and layout.

There has also been an increase in fundraising activity, but certainly not as much as we need. A number of attractive and successful events have been organised but again we need volunteers who are dedicated to planning and organising fundraising events or, equally importantly, helping and encouraging others to raise funds.

Finally, during this year, we have resolved to restructure the Trustee Board formally, bringing it together with the rest of the Executive Board (as we have done informally during this year) currently comprising the Trustees and leads of the various volunteer teams. Thus the newly constituted Trustee Board will combine those who take an overview of the organisation as a whole and those who are intimately concerned with its component parts. We will also construct an Advisory Group whom we can consult as and when necessary. There is a huge amount of goodwill even amongst those who are reluctant to devote the considerable time it takes to assume office, and we want to capitalise on that goodwill and expertise. (Resolutions will be put to the AGM to this effect.)

I am, as ever, hugely grateful to my colleague Trustees and those others on the Executive Board for all of their dedication, focus and work over the last year. This has been an exciting period in the life of Tzedek and we are, I think, poised for really remarkable things.

A handwritten signature in black ink, appearing to read 'Clive A Lawton', with a large, stylized flourish extending to the right.

Clive A Lawton
23rd July 2008
Chair
Trustees

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees submits its report and accounts for the year ended 31 March 2008.

OBJECTS

The company is a charity registered in England and Wales, number 1016767, and its main objects as stated in its Memorandum of Association are: -

"the relief of poverty, deprivation, sickness, distress and hardship in any country or countries, place or places without differentiation on the grounds of race, colour, nationality, creed or sex;"

and

"to educate the public in general and the Jewish community in particular concerning the nature, causes and effects of poverty, deprivation, sickness, distress and hardship and of Jewish religious obligations, beliefs and traditions to relieve the same and to conduct and procure research concerning these and to publish or otherwise make the results thereof available to the public".

ACTIVITIES

Tzedek's activities comprise educating the Jewish and wider communities about the causes and effects of poverty, grant making to small, sustainable, self help, overseas development projects, organising overseas volunteer programmes and campaigning and fundraising in respect of all of the foregoing.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal control of the charity is in the hands of the Board of Trustees. Every trustee has been appointed a director of the company. Trustees are either the original subscribers to the company's Memorandum of Association or join the Board by election at Annual General Meetings or by appointment during the year by the Board itself, subject in this latter case to retirement and re-election at the next Annual General Meeting.

An Executive Board ("EB") which includes the Board of Trustees, works with the charity's full time Development Officer on strategic development and policy implementation. The EB oversees and receives recommendations from active volunteer teams who, with support from the Development Officer and individuals from the EB, cover the following areas:

- Overseas Projects – identifying, assessing and monitoring projects to which grants are made;
- Volunteer Programmes – organising overseas programmes for volunteers;
- Education & Outreach – organising education programmes for young people and adults.

REPORT OF THE BOARD OF TRUSTEES (continued)

STRATEGY FOR ACHIEVING OBJECTS

Tzedek currently works through the above structure and targets the Jewish community for recruiting volunteer activists. It also targets the Jewish community in its funding appeals to individuals, and Jewish and non-Jewish organisations in its appeals for funding to trusts and similar bodies.

GRANT MAKING POLICY

The EB make grants after applications have been identified, assessed and recommended by the Overseas Projects Team. Procedures are guided by our project criteria, a comprehensive statement of which can be found at www.tzedek.org.uk, and which can be summarised as follows:

"Tzedek works regardless of race or religion with some of the poorest communities in the world, providing direct support to small-scale, sustainable, self-help development projects for the relief and elimination of poverty."

RESERVES POLICY

Tzedek's Reserves Policy is to ensure that a minimum level of resources is always retained to continue funding:-

- its core structure for a period of six months
- its existing commitments to overseas and UK projects.

THE YEAR UNDER REVIEW

An assessment of the year under review including a summary of the charity's main achievements, is given in the Chairman's Statement on page 3.

AUDIT REQUIREMENTS AND ACCOUNTING EXEMPTIONS

Advantage has been taken of:

- the exemption from audit requirements of the Companies Act for small companies;
- special exemptions in respect of the preparation of this report applicable to small companies.

The accounts comply with the Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2005) and the Companies Act 1985. Where applicable the Companies Act takes precedence.

RISK POLICY

In accordance with the recommendations of the Statement of Recommended Practice the trustees confirm that they have reviewed the major risks to which the charity might be exposed.

REPORT OF THE BOARD OF TRUSTEES (continued)

THE BOARD OF TRUSTEES

The directors constituting the Board of Trustees at 31 March 2008 were as follows:

Clive Lawton
Steve Miller
Justin Philips
Ian Rosmarin
Katie Schenk
Peter Scholl
Karin Shmueli

In accordance with Clause 12.01 of the Articles of Association, Steve Miller and Justin Philips will retire by rotation at the forthcoming Annual General Meeting.

OTHER LEGAL AND ADMINISTRATIVE INFORMATION

The company's governing instruments are its Memorandum and Articles of Association.
The company's registered office is at 1 Regent Street, London SW1Y 4NW.
The company's main administration is carried on at 152 West End Lane, London NW6 1SD.
The company's bankers are HSBC Bank plc, 166 Vauxhall Bridge Road, London SW1V 2RB.

By Order of the Board



Peter Scholl
Secretary

23rd July 2008

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2007 Total Funds £
INCOMING RESOURCES FROM GENERATED FUNDS					
Donations		69,546	43,821	113,367	74,322
Fundraising Activities	5	9,819	-	9,819	3,425
Investment Income	6	909	-	909	418
		-----	-----	-----	-----
		80,274	43,821	124,095	78,165
		=====	=====	=====	=====
RESOURCES EXPENDED					
Costs of Charitable Activities:					
Overseas Grants Costs	7	29,727	513	30,240	32,304
Overseas Volunteer Programme	8	10,301	2,393	12,694	6,095
Education, Outreach and Campaigning	9	14,714	38,039	52,753	8,414
		-----	-----	-----	-----
		54,742	40,945	95,687	46,813
		=====	=====	=====	=====
Costs of Generating Funds	5	12,710	-	12,710	6,593
Governance Costs	10	718	-	718	1,087
		-----	-----	-----	-----
		13,428	-	13,428	7,680
		=====	=====	=====	=====
Total Resources Used		68,170	40,945	109,115	54,493
		=====	=====	=====	=====
NET (OUTGOING)/ INCOMING RESOURCES FOR THE YEAR					
		12,104	2,876	14,980	23,672
Fund balances at 1 April 2007		54,416	185	54,601	30,929
		-----	-----	-----	-----
FUND BALANCES AT 31 MARCH 2008		66,520	3,061	69,581	54,601
		=====	=====	=====	=====

All recognised gains and losses are included above.

The accounting policies and notes on pages 10 to 13 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2008

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2007 Total Funds £
FIXED ASSETS					
Tangible Assets	2	-	-	-	-
		=====	=====	=====	=====
CURRENT ASSETS					
Cash at bank and in hand		47,607	(6,613)	40,994	53,515
Debtors	3	20,889	9,674	30,563	4,257
		-----	-----	-----	-----
		68,496	3,061	71,557	57,772
CURRENT LIABILITIES	4	1,976	-	1,976	3,171
		-----	-----	-----	-----
		66,520	3,061	69,581	54,601
		=====	=====	=====	=====
NET ASSETS		66,520	3,061	69,581	54,601
		=====	=====	=====	=====
ACCUMULATED FUNDS		66,520	3,061	69,581	54,601
		=====	=====	=====	=====

In accordance with s249B(4) Companies Act 1985 the directors state that:

- a) the company is entitled to exemption under s.249A(1) for the year ended 31 March 2008.
- b) no notice has been deposited under s.249B(2), in relation to its accounts for the financial year.
- c) they acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with s.221 and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at 31 March 2008 and of its net outgoing resources for the year then ended in accordance with the requirements of s.226 and which otherwise comply with the requirements of the Companies Act 1985 so far as applicable to the company.

In the opinion of the Board of Directors the company qualifies as a small company under s.247 Companies Act 1985. Advantage has been taken in the preparation of the accounts of special exemptions applicable to small companies in accordance with Part VII of the Companies Act 1985 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board of Directors on 23rd July 2008.



Clive Lawton
Chair

The accounting policies and notes on pages 10 to 13 form part of these financial statements.

ACCOUNTING POLICIES - YEAR ENDED 31 MARCH 2008

(a) BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

(b) INCOME RECOGNITION

Income from grants and donations is accounted for when received with the exception of irrevocable pledges which, when made in respect of a particular period, are accounted for in that period on an accruals basis. Income tax recoverable on Gift Aid donations is accounted for when the donation is received.

(c) RESTRICTED FUNDS

Restricted funds are those donations, together with related Gift Aid where applicable, received from donors with a specific request as to their application and which must be applied accordingly.

(d) GRANTS MADE

Grants made are recognised in the accounts at the time payment is made by the Charity.

(e) OVERHEAD ALLOCATION

Costs are allocated to charitable activities where they relate directly to a specific grant or project. An Overhead allocation of staff costs (other than those attributable to spend on Restricted Donations) and general expenses is made in accordance with the requirements of the SORP 2005 (see (h) below) as follows:

	<u>2008</u>	<u>2007</u>
Overseas Grants Costs	20%	23.75%
Overseas Volunteer Programmes	23%	23.75%
Education, Outreach and Campaigning	25%	23.75%
Fundraising	30%	23.75%
Governance	2%	5%

(f) DEPRECIATION

Fixed Assets are depreciated by equal instalments over their expected lives at the following annual rates:

Computer equipment 33.33%

(g) TAXATION

The activities of Tzedek are exempt from direct taxation under section 505 of the Income and Corporation Taxes Act 1988.

(h) STATEMENT OF RECOMMENDED PRACTICE

The accounts have been prepared in accordance with the Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2005) issued by the Charity Commission in co-operation with the Accounting Standards Board. The requirements of the Companies Act however take precedence where applicable.

NOTES TO THE ACCOUNTS - 31 MARCH 2008

	2008 £	2007 £
1. NET INCOMING RESOURCES		
Net Incoming Resources are arrived at after charging:		
Depreciation of owned fixed assets	-	324
	=====	=====
2. TANGIBLE FIXED ASSETS		
	Computer Equipment £	
At 1 April 2007	2,167	
Additions	-	
Disposals	-	

At 31 March 2008	2,167	
	=====	
At 1 April 2007	2,167	
Charge for the year	-	
On Disposal	-	

At 31 March 2008	2,167	
Depreciation	2,167	
	=====	
At 31 March 2008	-	
Net Book Value	-	
	=====	
3. DEBTORS		
	2008 £	2007 £
Gift Aid Income Tax Recoverable	3,950	4,257
Event funds received after date	1,485	-
2007/08 pledges received after date	23,510	-
Staff loan	1,618	-
	-----	-----
	30,563	4,257
	=====	=====
4. CREDITORS		
Accruals	1,976	3,171
	=====	=====

NOTES TO THE ACCOUNTS - 31 MARCH 2008

5. FUND RAISING ACTIVITIES

	2008 Income £	2008 Costs £	2008 Net £	2007 (Net) £
Film screening "We are together"	2,874	898	1,976	-
Dreams of India	-	-	-	860
Full Moon Party	-	-	-	235
Tikkun Trek	-	-	-	1,047
Donations – sponsorships, weddings, birthdays, etc.	6,845	-	6,845	968
Other	100	-	100	221
	-----	-----	-----	-----
	9,819	898	8,921	3,331
	=====		=====	=====
Sundry Fundraising Costs		-		172
Costs of Appeals (Appeal income is included in Donations under Incoming Resources)		1,032		1,148
Overhead allocation – 30% (2007 – 23.75%)		10,780		5,179
		-----		=====
		12,710		
		=====		

6. INVESTMENT INCOME

Bank and other Interest			909	418
			=====	=====

7. COSTS OF OVERSEAS GRANTS

	2008 £	2007 £
Apprenticeship Scheme, Zimbabwe	800	840
Maternity Worldwide, Ethiopia	-	1,350
Economic Rural Development Society, Gajole Project, West Bengal	-	237
Ebukya Women's Cooperative, Uganda	-	5,038
Relief Organisation for the Handicapped, Adra Pradesh, India	6,500	-
Pallisathi, West Bengal	-	3,060
Elmina Women's Textile Project, Ghana	4,840	4,000
Sevalaya, Tamil Nadu, South India	-	6,600
Concord, Tamil Nadu, South India	1,300	
Centre for Rural Systems & Development, Tamil Nadu, South India	6,000	6,000
Pisufas, Pinyin, Cameroon	3,500	-
Overhead allocation – 30% (2007 – 23.75%)	7,187	5,179
Other expenses	113	-
	-----	-----
	30,240	32,304
	=====	=====

NOTES TO THE ACCOUNTS - 31 MARCH 2008 (continued)

8. OVERSEAS VOLUNTEER PROGRAMME

	2008	2007
	£	£
Volunteer Programme expenses	4,429	918
Overhead allocation – 23% (2007 – 23.75%)	8,265	5,177
	-----	-----
	12,694	6,095
	=====	=====

9. EDUCATION, OUTREACH AND CAMPAIGNING

	2008	2007
	£	£
Jewish Global Citizenship Project	38,038	-
Website Costs	280	826
Exhibition, Teaching and Publicity costs, Events	1,528	908
Newsletter and Leaflet Costs	3,673	1,501
Campaigning	249	-
Overhead allocation –25% (2007 – 23.75%)	8,985	5,179
	-----	-----
	52,753	8,414
	=====	=====

10. GOVERNANCE COSTS

	2008	2007
	£	£
Overhead allocation – 2% (2007 – 5%)	718	1,087
	=====	=====

11. OVERHEAD ALLOCATION

	2008	2007
	£	£
Staff costs not directly attributed to Restricted Funds spend	32,289	20,296
Office Costs and sundries	3,646	1,505
	-----	-----
	35,935	21,801
	=====	=====

The above expenses have been allocated in accordance with Note (e) on page 10.