

Charity Registration No 1069048  
Company Registration No 3413207

# Aish Hatorah UK Ltd

## TRUSTEES' REPORT AND ACCOUNTS

for the year ended

*31 December 2010*

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# A1sh Hatorah UK Ltd

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Aish Hatorah UK Ltd  
LEGAL AND ADMINISTRATIVE INFORMATION

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TRUSTEES

D Hammelburger  
J Cowland  
N Schiff

COMPANY REGISTERED NUMBER

3413207

CHARITY REGISTERED NUMBER

1069048

PRINCIPAL ADDRESS AND REGISTERED OFFICE

379 Hendon Way  
Hendon Central  
London NW4 3LP

COMPANY SECRETARY

N Schiff

AUDITORS

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

BANKERS

National Westminster Bank Plc  
5 Central Circus  
Hendon Central  
London NW4 3LE

# Aish Hatorah UK Ltd

## TRUSTEES' REPORT

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The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of Aish UK Hatorah Ltd (the company) for the year ended 31 December 2010. The trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### ***STRUCTURE, GOVERNANCE AND MANAGEMENT***

Aish Hatorah UK Ltd is a company limited by guarantee and registered as a charitable company. The charity's objects are outlined below.

The trustees, who are also the directors for the purpose of company law, and who served during the year are listed on page 1.

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

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The number of trustees shall not be subject to any maximum but shall not be less than two. The appointment and training of a new trustee is subject to the oversight of current trustees.

There are no specific restrictions imposed by the governing document concerning the way the charity can operate.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. A reduction in donor base could cause cash flow issues, any delayed receipt of pledged donations income could also potentially cause cash flow issues.

The major risks facing the charity are reviewed regularly at management meetings.

Regular reviews of cash flow projections and budget forecasts are also undertaken, as well as a continual drive to reduce expenditure and negotiate better terms and rates.

Aish Hatorah UK Ltd has been a driving force in establishing and launching other independent UK charities in the field of education and social action in recent years. These charities include GIFT, JRoots, Forum for Jewish Leadership and Chazak.

### ***OBJECTIVES AND ACTIVITIES***

The charity aims to reach out primarily to unaffiliated young Jewish people in the UK in order to re-ignite pride in and instil knowledge of their Jewish heritage. Over the past few years the educational remit has widened to allow for a broader spectrum of the community to benefit from the educational expertise and experience of the organisation. The core of the educational philosophy is to share with young people a sense of moral responsibility and ethical values that instil a sense of pride in Jewish heritage as well as upright citizenship in wider society.

The charity goes about achieving this objective through regular educational, social and religious events across the UK, with overseas educational programmes in the summer and at other key points in the year.

In previous years, significant progress has been made in broadening the geographical reach of the charity's educational, social and religious programmes, under the aegis of a five year plan. This five year plan included increasing the number of overseas trips primarily to Israel, the USA, South Africa and Poland, as well as other UK and European destinations, and also increasing the numbers of educational staff. The global "credit crunch" necessitated a consolidation phase, which started during late 2008, and is still ongoing.

All activity continues to be focused on the benefit of young people from the UK.

# Aish Hatorah UK Ltd

## TRUSTEES' REPORT

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### **ACHIEVEMENTS AND PERFORMANCE**

The main specific achievements of the charity in the period under review include

- Hundreds of participations in Aish Away Fellowship programmes to Israel, Poland & other destinations,
- Arranging UK-wide ongoing educational and social activities with thousands of programme participations,
- Providing regular educational activities at 10 university campuses and many sixth forms nationwide, and
- Leading explanatory High Holiday educational programmes across the UK

Against the backdrop of another year which severely challenged the fundraising capabilities of all charities, Aish UK successfully raised almost £3 million of donated income, and participant contributions of over £260,000

Work continued to be done to expand and modernise the fundraising department, and continue widening the donor base

### **FINANCIAL REVIEW**

Following on from impressive growth in previous years, (year on year growth on every metric since establishment in the 1990's with a significant step change from 2005), 2008 was a year of great challenge for Aish UK, as it was across the charitable sector

After much effort and planning, the management were able to produce a recovery and restructuring programme. This was meticulously planned and costed, and the vital steps taken enabled Aish UK to move on from the significant loss in 2008 to profitability in 2009 which continued during 2010. The deficit has already been significantly reduced in the first part of 2011, and is planned to be cleared during the coming months. Mr Andrew Rashbass, CEO of The Economist Group, has been assisting the Charity's senior management in a private lay advisory capacity in order to help steer Aish to financial stability and profitability. It is the charity's aim to restore its policy to retain reserves sufficient to meet its forthcoming monthly expenditure.

Aish UK is supported by a broad spectrum of donors from across the community, ranging from grassroots student-level program participants and alumni to a number of philanthropists who partner with our charity and help encourage our activities.

Most fundraising is done through direct relationships with our partners and through effective communication of the importance of our work to the wider audience of our supporters.

All of Aish's expenditure is focused on creating the wide range of successful high-quality educational courses and popular, impactful activities that deliver our stated charitable objectives.

### **PUBLIC BENEFIT**

The trustees acknowledge the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit.

All activities undertaken by Aish are for the public benefit. With a focus on providing education, the organisation's operation is very much geared to providing benefit to the Jewish and wider community as is highlighted by the activities reported herein. The core of the educational philosophy is to share with young people a sense of moral responsibility and ethical values that instil a sense of pride in Jewish heritage as well as upright citizenship in wider society. This will also continue to be central to its future plans.

### **PLANS FOR THE FUTURE**

The current five year period of activity came to an end during 2010. The senior management of the Charity has been devoting much time and effort to the planning and implementation of the next 5 Year plan of action. This has involved a high level of consultation with other educational and communal bodies in the UK alongside individual meetings with an array of communal leaders and stakeholders. Despite ongoing financial challenges the core team of dedicated educators and staff of Aish UK form an extremely solid group of highly professional and skilled people.

# Aish Hatorah UK Ltd

## TRUSTEES' REPORT

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The Trustees are confident that this core team of educational providers and senior management of the Charity are successfully working through this period of consolidation to forge the next 5 Year plan of 'Vitalisation of Young British Jews' and once again lead the way in terms of providing inspiration to a whole generation of young Jewish adults, many of whom may otherwise have been lost to any affiliation with the Jewish community

### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/(outgoing) resources for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

Insofar as each of the trustees of the company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **AUDITORS**

Crowe Clark Whitehill LLP has expressed a willingness to continue in office. A resolution to appoint them will be proposed at the Annual General Meeting.

This report was approved by the trustees on 21 September 2011 and signed on their behalf by

N Schiff  
Trustee



# Aish Hatorah UK Ltd

## AUDITOR'S REPORT

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### **Independent Auditor's Report to the Members of Aish Hatorah UK Ltd**

We have audited the financial statements of Aish Hatorah UK Ltd for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 12

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Aish Hatorah UK Ltd  
AUDITOR'S REPORT

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Signature



Name Samantha Coutinho, Senior Statutory Auditor

For and on behalf of  
Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

21/9/11



Aish Hatorah UK Ltd  
STATEMENT OF FINANCIAL ACTIVITIES

	<i>Notes</i>	<i>Unrestricted Funds 2010 £</i>	<i>Total 2009 £</i>
<b>Incoming resources</b>			
<i>Incoming resources from generated funds</i>			
Donations and legacies	2	2,849,904	2,933,704
Incoming resources from charitable activities	3	351,208	401,329
<b>Total incoming resources</b>		<b>3,201,112</b>	<b>3,335,033</b>
<b>Resources expended</b>			
<b>Cost of generating funds</b>			
Donor Fundraising Costs	4	327,032	152,258
<b>Net incoming resources available</b>		<b>2,874,080</b>	<b>3,182,775</b>
<b>Charitable activities</b>			
Overseas programme expenses		1,408,587	1,509,376
Educational Services		1,283,322	1,358,293
Donations to other charities		96,891	69,380
<b>Total charitable expenditure</b>		<b>2,788,800</b>	<b>2,937,049</b>
Governance Costs		12,000	73,408
<b>Total resources expended</b>	4	<b>2,800,800</b>	<b>3,010,457</b>
<b>Net incoming resources</b>		73,280	172,318
<b>Total Funds at 1 January 2010</b>		(880,072)	(1,052,390)
<b>Total Funds at 31 December 2010</b>		<b>(806,792)</b>	<b>(880,072)</b>

The Statement of Financial Activities includes all gains and losses recognised in the year


The net incoming resources for the year arise from the Charity's continuing operations

Aish Hatorah UK Ltd  
 BALANCE SHEET  
 at 31 December 2010

	Notes	2010 £	2009 £
<b>Fixed Assets</b>			
Tangible assets	8	191,824	211,819
<b>Current Assets</b>			
Debtors	9	92,387	118,433
Cash at bank and in hand		2,050	2,071
		<u>94,437</u>	<u>120,504</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(1,052,553)</u>	<u>(919,895)</u>
<b>Net Current Liabilities</b>		<u>(958,116)</u>	<u>(799,391)</u>
<b>Total Assets less Current Liabilities</b>		<u>(766,292)</u>	<u>(587,572)</u>
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>(40,500)</u>	<u>(292,500)</u>
<b>Net Liabilities</b>		<u>(806,792)</u>	<u>(880,072)</u>
<b>Funds</b>			
Unrestricted funds		<u>(806,792)</u>	<u>(880,072)</u>
<b>Total Funds</b>		<u>(806,792)</u>	<u>(880,072)</u>

The financial statements were approved by the trustees and authorised for issue on 21 September 2011

N Schiff, Trustee



The notes on pages 9 to 14 form part of these financial statements

Aish Hatorah UK Ltd  
NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 December 2010

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1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005), the Companies Act 2006 and with applicable accounting standards.

During the year a review of the fund accounting was performed and it was agreed that participant payments had been incorrectly accounted for as restricted funds. Comparatives have not been restated on the basis that the funds were spent in full year on year and there were no unspent funds.

1.2 GOING CONCERN

The Charity currently has liabilities that exceed its assets. The Trustees are actively seeking to remedy this situation through managing its operating expenditure and actively seeking additional donations. The deficit is funded in part by the overdraft and loans. The Trustees are confident that these facilities will continue to be available to the charity for the foreseeable future.

The Trustees have reviewed forecasts for the year ahead which depend largely on donations which have not been confirmed at this time. The Trustees are of the opinion that they will obtain sufficient funds for the foreseeable future to meet the capital commitments as they fall due.

The Trustees have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Charity's ability to continue as a going concern and that, therefore, the Charity may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 CASHFLOW STATEMENTS

The company being a small reporting entity as defined by Financial Reporting Standard No 1 (Revised 1996) on 'Cash Flow Statements', is exempt from the requirement to prepare a cash flow statement. Accordingly, no cash flow statement is presented within these financial statements.

1.4 FUND ACCOUNTING

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the board of trustees for particular purposes.

Restricted funds are subject to specific restrictions imposed by the donors. These funds are accounted for separately and are only available to be used for the specific purposes for which they were given.

1.5 INCOMING RESOURCES

The income is credited in the statement of financial activities when receivable and receipt is beyond doubt.

Aish Hatorah UK Ltd  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the period ended 31 December 2010

1.6 RESOURCES EXPENDED

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Cost of fundraising activities are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the delivery of its activities and include both the direct costs and support costs relating to these activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs have been allocated to the expenditure categories based on the management's estimate of the proportion of time and resources consumed by each of the key activities of the charity.

Operating costs have been allocated to the expenditure categories in the proportion to the direct spend in these categories.

1.7 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to leasehold property	-	Over the term of the lease
Plant and machinery	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Assets greater than £1,000 are capitalised.

2 DONATIONS AND LEGACIES

	<i>Total</i> 2010 £	<i>Total</i> 2009 £
Donations and gifts	2,849,904	2,933,704

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<i>Total</i> 2010 £	<i>Total</i> 2009 £
Trip and event participant payments	266,752	344,560
Religious educational services	84,456	56,769
	<u>351,208</u>	<u>401,329</u>

**Aish Hatorah UK Ltd**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the period ended 31 December 2010

**4 TOTAL RESOURCES EXPENDED**

	<i>Staff Costs</i>	<i>Depreciation</i>	<i>Other costs</i>	<i>Total 2010</i>	<i>Total 2009</i>
	£	£	£	£	£
<b>Costs of generating funds</b>					
Donor fundraising costs	265,443	1,091	60,498	327,032	152,258
<b>Charitable Activities</b>					
Overseas Program Expenses	505,829	16,095	886,663	1,408,587	1,509,376
Educational Services	721,767	10,094	551,461	1,283,322	1,358,293
Donations to other Charities	-	-	96,891	96,891	69,380
	1,227,596	26,189	1,535,015	2,788,800	2,937,049
<b>Governance costs</b>	-	-	12,000	12,000	73,408
	1,227,596	26,189	1,547,015	2,800,800	3,010,457

**5 NET INCOMING RESOURCES**

	<i>2010</i>	<i>2009</i>
	£	£
This is stated after charging		
Depreciation of tangible fixed assets		
- owned by the charity	27,280	31,467
Auditors' remuneration		
- audit fee	12,000	10,000
- other services	-	10,638

**6 TRUSTEES' REMUNERATION**

During the year N Schiff received £90,894 (2009 £80,711) in his capacity as Chief Executive of Aish UK.

During the year, no Trustee received any benefits in kind for their role as trustee (2009 £Nil)

During the year no Trustee received any reimbursement of expenses for their role as trustee (2009 £Nil)

Aish Hatorah UK Ltd  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the period ended 31 December 2010

7 EMPLOYEES	2010	2009
	£	£
Staff Costs		
Wages and salaries	993,514	1,046,060
Social security costs	87,977	95,352
Other staff costs	411,548	408,206
	<u>1,493,039</u>	<u>1,549,618</u>
	2010	2009
	No	No
The average number of employees during the year was		
Educational	41	43
Operational	12	15
Administrative	7	9
	<u>60</u>	<u>67</u>

One employee received total emoluments between £60,001 and £70,000 (2009 None)

No employee received total emoluments between £80,001 and £90,000 (2009 One)

One employee received total emoluments between £90,001 and £100,000 (2009 None)

Aish Hatorah UK Ltd  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 December 2010

8 TANGIBLE FIXED ASSETS	<i>Improvements to Premises</i> £	<i>Plant and Machinery</i> £	<i>Furniture, fittings and equipment</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost					
At 1 January 2010	229,377	179,863	231,510	9,500	650,250
Additions	7,285	-	-	-	7,285
At 31 December 2010	<u>236,662</u>	<u>179,863</u>	<u>231,510</u>	<u>9,500</u>	<u>657,535</u>
Depreciation					
At 1 January 2010	127,345	102,228	205,806	3,052	438,431
Charge for the year	11,833	7,409	6,426	1,612	27,280
At 31 December 2010	<u>139,178</u>	<u>109,637</u>	<u>212,232</u>	<u>4,664</u>	<u>465,711</u>
Net book value					
At 31 December 2010	<u>97,484</u>	<u>70,226</u>	<u>19,278</u>	<u>4,836</u>	<u>191,824</u>
At 31 December 2009	<u>102,032</u>	<u>77,635</u>	<u>25,704</u>	<u>6,448</u>	<u>211,819</u>

The charity owns scrolls that originally cost £48,000. The Trustees consider that their expected useful life is in excess of 50 years and that the carrying value in the accounts is not less than the estimated recoverable amount. No depreciation is therefore charged and, in accordance with FRS11, the Trustees have and will continue to carry out annual reviews of impairment.

9 DEBTORS	<i>2010</i> £	<i>2009</i> £
Trade debtors	16,807	59,482
Prepayments	20,084	32,751
Amounts owed by group undertakings	28,483	-
Other debtors	27,013	26,200
	<u>92,387</u>	<u>118,433</u>

10 CREDITORS Amounts falling due within one year	<i>2010</i> £	<i>2009</i> £
Bank overdrafts and credit cards	20,551	58,201
Trade creditors	272,063	418,289
Amount owed to group undertakings	618	7,688
Social security and other taxes	247,278	319,403
Other creditors	403,711	93,549
Accruals and deferred income	108,332	22,765
	<u>1,052,553</u>	<u>919,895</u>

Aish Hatorah UK Ltd  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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11	CREDITORS Amounts falling after more than one year	2010	2009
		£	£
	Loans	40,500	292,500

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12 CAPITAL COMMITMENTS

Amounts contracted for, but not provided in the accounts, amount to £nil (2009 £nil)