

Kollel Beis Aharon

Charity number 263957

Unaudited Financial Statements

For The Year Ended

5 April 2019

Kollel Beis Aharon

Contents	Page
Legal and administrative information	1
Trustees' annual report	2 - 4
Independent examiner's report	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the accounts	8 - 12

Kollel Beis Aharon

Legal and Administrative Information

Trustees

R Lewis
Y Lieberman

Charity's Correspondent Address

58-70 Edgware Way
Edgware
Middlesex
HA8 8JS

Details of Formation

The charity is constituted by trust deed dated 10 April 1972 and registered with the charity commission on 15 May 1972 under charity number 263957

Bankers

Natwest
Leicester Customer Service Centre
Bede House
11 Western Boulevard
LE2 7EJ

Independent Examiner

Justin Cowan, FCA
Albeck Limited
Chartered Accountants
49 Mowbray Road
Edgware
Middlesex
HA8 8JL

Kollel Beis Aharon

Trustees' Annual Report

The trustees present their annual report and the annual accounts of the charity for the year ended 5 April 2019. The accounts have been prepared in accordance with the accounting policies set out on pages 9 and 10 and comply with the charity's trust deed and applicable law.

Legal and administrative information set out on page 1 forms part of this report.

Constitution and Objects of the Charity

The charity is constituted by trust deed dated 10 April 1972 and registered with the charity commission on 15 May 1972 under charity number 263957.

The principal objectives of the Charity are running the synagogue "Ohel Avrohom" on Mowbray Road, Edgware and providing educational activities in the advancement of Orthodox Judaism via the centre for advanced religious Jewish studies called "Kollel Beis Aharon".

The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 4 of the Charities Act 2011. The trustees believe that the charity achieves a public benefit through these objectives.

Trustees and Governance

The trustees in office in the year were as follows:

S Lewis
Y Lieberman

The power of appointing a new trustee or trustees hereof shall be vested in a majority in number of the trustees or if there is only one trustee for the time being the provisions of section 36 Trustees Act 1925 shall have affect.

Charity's Activities and Achievements

The trustees have continued to operate the synagogue known as Ohel Avrohom. As well as operating and maintaining the synagogue premises, the charity has run a wide range of education events including lectures and the development of study programmes for a wide range of the local Jewish community. One of the major programmes that the trustees are most proud of is the "Professionals Beis Hamedrash Programme" (PBM). The programme has allowed dozens of Jewish professionals to develop skills in the study of Talmudic texts. The trustees plan to develop this, along with other programmes, further in the coming year. In the prior year there had been a fundraising drive to commence a new programme for PBM and corresponding expenditure. As a result there was a fall in PBM income and expenditure in the year under review.

The charity's trustees have continued to comply with their duty to have due regard to the guidance on public benefit as published by the Charity Commission when exercising their powers or duties.

Kollel Beis Aharon

Trustees' Annual Report (Continued)

Charity's Activities and Achievements (continued)

The charity ran a successful celebratory and fundraising dinner in the year. This resulted in a significant increase in incoming resources in the year under review which the charity plans to use to provide further educational programmes in the coming year. The costs incurred in respect of the dinner are included in "fundraising costs" in the Statement of Financial Activities which has led to a significant increase in fundraising costs in the accounts. The charity received some residual incoming resources from the 2017 dinner in the prior year, however, as a result of there not being a dinner in the 2017/18 year, incoming resources and corresponding expenditure on activities were both much lower in the prior year.

Investments Policy

The charity has three bank current accounts. These are the only investments to which the charity has title.

Reserves Policy

The trustees are working hard and investing a lot of time in ensuring that the charity is able to fund its short term financial obligations. Ideally, the trustees would aim to retain funds equivalent to six months expenditure to take account of any potential short fall in donations in future.

Grant and Donation Making Policy

The trustees act in accordance with the charity's objects as detailed in the "Constitution and Objects of the Charity" section. The trustees meet monthly to discuss the progress of the charity and future plans for the coming months.

The trustees make donations to institutions that are able to provide services to the community that they feel unable or unqualified to provide, but that fall within the objects of the charity. All grants and donations made must be approved by the majority of the trustees, however, in almost all occasions; the trustees will not make a grant or donation if there is an objection by any of the trustees.

Risk Management

The trustees regularly undertake a review of the major risks to which the charity is exposed, and systems designed to mitigate those risks are considered on an ongoing basis.

There are two major risks that the trustees have identified, as follows:

(a) Fall in the level of donations

The level of donations is fundamental to the operation of the charity. Given that the charity has considerable operating costs, the consistency of donations is of major importance. The trustees have tried to mitigate against a fall in the level of donations by having as many donors as possible providing their donation by monthly standing order. The trustees are making every effort to increase the number of donors by seeking support from the local community in an attempt to reduce their current reliance on a few key donors. The trustees also make every effort to keep in regular contact with their donors so that they are able to see the difference that their contributions are making.

Kollel Beis Aharon

Trustees' Annual Report (Continued)

Risk Management (continued)

(b) Misappropriation of funds

The control of funds is key to any charity. As mentioned previously, the trustees meet monthly and discuss progress. At these meetings, the financial position and expenditure of the charity are reviewed and discussed. The trustees decided that since they are having an independent examination, any misappropriation of funds should also come to light at that time.

Since the banking arrangements ensure that only the trustees have access to the bank account, this also reduces risk of misappropriation.

Related Party Transactions

There have been no related party transactions in the period that require disclosure.

Trustees' Responsibilities in Relation to the Accounts

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year, which give a true and fair view of the state of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing those accounts, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. follow applicable UK accounting standards and the Statement of Recommended Practice, subject to any departures disclosed and explained in the accounts;
- d. prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011. 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.

Approved by the trustees and signed by their order.

Y Lieberman
Trustee

30 January 2020

Independent Examiner's Report

to the Trustees of

Kollel Beis Aharon

for the Year Ended 5 April 2019

I report on the accounts of the trust for the year ended 5 April 2019, which are set out on pages 6 to 12.

Respective Responsibilities of Trustees and Independent Examiner

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

I report in respect of my examination of the charity's accounts as carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 that in any material respect:

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

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.

Justin Cowan, FCA
Albeck Limited
Chartered Accountants
49 Mowbray Road
Edgware
Middlesex
HA8 8JL

30 January 2020

Kollel Beis Aharon

Statement of Financial Activities

for the Year 5 April 2019

	Note	2019 Unrestricted and total funds £	2018 Total funds £
<i>Incoming resources</i>			
Incoming resources from generated funds			
Voluntary income	(2)	268,766	324,365
Activities for generating funds	(3)	215,595	122,483
Investment income		—	—
Total incoming resources	(10)	<u>484,361</u>	<u>446,848</u>
 <i>Resources expended</i>			
Costs of generating funds			
Fundraising	(4)	80,438	29,641
Charitable expenditure			
Synagogue, outreach and education	(5)	356,720	411,735
Governance costs	(6)	—	—
Total resources expended	(10)	<u>(437,158)</u>	<u>(441,376)</u>
Net movement in funds		47,203	5,472
Total funds brought forward		<u>88,991</u>	<u>83,519</u>
Total funds carried forward	(10, 11)	£136,194 =====	£88,991 =====

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

The notes on pages 8 to 12 form part of these accounts.

Kollel Beis Aharon

Statement of Financial Position

as at 5 April 2019

	Note	2019 £	2018 £
Current Assets			
Debtors	(8)	3,444	6,444
Cash at bank and in hand		<u>132,771</u>	<u>85,062</u>
		136,215	91,506
Creditors: Amounts falling due within 1 year	(9)	<u>(21)</u>	<u>(2,515)</u>
Net assets	(10, 11)	<u>£136,194</u> =====	<u>£88,991</u> =====
Income Funds			
Unrestricted Funds	(10, 11)	<u>£136,194</u> =====	<u>£88,991</u> =====

These accounts were approved on 30 January 2020 and signed on behalf of the trustees.

Trustee
Y Lieberman

The notes on pages 8 to 12 form part of these accounts.

Kollel Beis Aharon

Notes to the Accounts - 5 April 2019

1. Accounting Policies**a. Basis of Accounting**

These accounts have been prepared in compliance with FRS102, 'The Financial Reporting Standard in the UK and the Republic of Ireland', the Statement of Recognised Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) and the Charities Act 2011.

b. 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.

c. Going concern

There are no material uncertainties regarding the charity's ability to continue and, as such, the accounts have been prepared on the going concern basis.

d. Judgements and key sources of uncertainty from estimation

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

e. Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on the income and expenditure account. They are available for the use at the discretion of the trustees in furtherance of the general objects of the charity.

Restricted funds are subject to specific restricted conditions as imposed by the donors. There are no restricted funds at the year end.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the year end.

Kollet Beis Aharon

Notes to the Accounts - 5 April 2019 (continued)

1. Accounting Policies (continued)

f. Donations and voluntary income

Donations are accounted for when the charity becomes entitled to the donation and any conditions for receipt are met.

g. Grants and donations payable

Grants and donations payable are charged in the year in which the payment of funds is conveyed to the recipient.

The charity has a small fund set aside to provide emergency grants for the relief of poverty. These grants are to be made only to residents of Edgware and the immediately surrounding areas. All grants and donations made must be approved by the majority of the trustees, however, in almost all occasions, the trustees will not make a grant or donation if there is an objection by any of the trustees.

h. Support costs

Support costs are those costs which are common to all areas of the organisation. These are allocated across all areas of activity based on the number of service users for each activity.

i. Governance costs

Governance costs are associated with the governance arrangements of the charity and relate to the general running of the charity.

j. Cash Flow

The accounts do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement.

2. Donations Received

	2019 £	2018 £
Voluntary income	£268,766 =====	£324,365 =====

3. Activities for generating funds

Dinner Income	177,078	98,405
Incoming resources from charitable activities	<u>38,517</u>	<u>24,078</u>
	£215,595 =====	£122,483 =====

Kollel Beis Aharon

Notes to the Accounts - 5 April 2019 (continued)

4. Fundraising	2019 £	2018 £
Fundraising expenses	£80,438 =====	£29,641 =====
Fundraising expenses increase in the year under review due to the charity carrying out a fundraising dinner this year.		
5. Costs in furtherance of charitable objects		
<i>Education costs</i>		
Consultancy and professional fees	-	3,600
Educational event and Lecture expenses	27,178	12,312
Office expenses	4,435	20,251
Professionals Beis Hamedrash Programme	95,296	154,871
Rent	940	16,900
Telephone	1,238	685
Tutors	<u>129,737</u>	<u>135,526</u>
	258,824	344,445
<i>Synagogue operating costs</i>		
Advertising	1,890	1,530
Bank charges	348	318
Books	8,628	3,977
Cleaning expenses	6,384	6,466
Equipment	2,012	1,191
Food and drink	15,447	9,160
Insurance	900	852
Printing and stationery	5,565	372
Professional fees	12,681	10,650
Repairs	<u>9,387</u>	<u>1,124</u>
	63,242	35,640
Grants to local organisations with common objects	17,569	24,550
Welfare grants to individuals	<u>17,085</u>	<u>7,400</u>
Total costs in furtherance of charitable objects	£356,720 =====	£411,735 =====
Details of material grants are available on request to the trustees.		
6. Governance costs		
Governance costs	£ - =====	£ - =====

Kollel Beis Aharon

Notes to the Accounts - 5 April 2019 (continued)

7. Analysis of staff costs	2019	2018
	£	£
Wages and salaries	129,499	135,526
Social security	-	-
Other staff costs	<u>238</u>	<u>-</u>
	£129,737	£135,526
	=====	=====

No employee received remuneration of more than £60,000 during the year or the preceding year. The highest paid employee earned £9,897 (2018: £9,796). No trustee received any remuneration, benefit in kind or expense reimbursement in the year or the preceding year.

The average number of employees during the year was 20 (2018: 21).

8. Debtors	2019	2018
	£	£
Other debtors and prepayments	£ 3,444	£ 6,444
	=====	=====

9. **Creditors:** Amounts falling due within 1 year

Sundry creditors	£ 21	£ 2,515
	=====	=====

10. **Statement of funds**

	6 April 2018	Income	Expenditure	5 April 2019
	£	£	£	£
Unrestricted Funds				
General Reserve	£88,991	£484,361	£(437,158)	£136,194
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11. **Analysis of net assets between funds**

	Unrestricted and total funds 2019	Total funds 2018
Current assets	136,215	91,506
Creditors due in less than once year	<u>(21)</u>	<u>(2,515)</u>
	£136,194	£88,991
	=====	=====

Kollel Beis Aharon

Notes to the Accounts - 5 April 2019 (continued)

12. Related party transactions

There have been no related party transactions in the period that require disclosure.