

Kollel Beis Aharon

Charity number 263957

Unaudited Financial Statements

For The Year Ended

5 April 2017

Kollel Beis Aharon

Contents	Page
Legal and administrative information	1
Trustees' annual report	2 - 4
Independent examiner's report	5
Statement of financial activities	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

33 Lynford Gardens
Edgware
Middlesex
HA8 8TX

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 2017. 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.

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 which the charity was able to use to provide further educational programmes. 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.

Investments Policy

The charity has a bank current account. This is the only investment 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

29 January 2018

Independent Examiner's Report
to the Trustees of
Kollel Beis Aharon
for the Year Ended 5 April 2017

I report on the accounts of the trust for the year ended 5 April 2017, which are set out on pages 6 to 12.

Respective Responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

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

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Justin Cowan, FCA

Albeck Limited
Chartered Accountants
112 Green Lane
Edgware
Middlesex
HA8 8EJ

29 January 2018

Kollel Beis Aharon

Statement of Financial Activities

for the Year 5 April 2017

	Note	2017 Unrestricted and total funds £	2016 Total funds £
<i>Incoming resources</i>			
Incoming resources from generated funds			
Voluntary income	(2)	332,910	252,977
Activities for generating funds	(3)	276,731	7,594
Investment income		—	—
Total incoming resources	(10)	<u>609,641</u>	<u>260,571</u>
 <i>Resources expended</i>			
Costs of generating funds			
Fundraising	(4)	84,977	1,695
Charitable expenditure			
Synagogue, outreach and education	(5)	499,823	254,912
Governance costs	(6)	—	—
Total resources expended	(10)	<u>(584,800)</u>	<u>(256,607)</u>
Net movement in funds		24,841	3,964
Total funds brought forward		<u>58,678</u>	<u>54,714</u>
Total funds carried forward	(10, 11)	<u>£83,519</u> =====	<u>£58,678</u> =====

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 2017

	Note	2017 £	2016 £
Current Assets			
Debtors	(8)	17,944	31,594
Cash at bank and in hand		<u>69,265</u>	<u>27,468</u>
		87,210	59,062
Creditors: Amounts falling due within 1 year	(9)	<u>(3,691)</u>	<u>(384)</u>
Net assets	(10, 11)	£83,519 =====	£58,678 =====
Income Funds			
Unrestricted Funds	(10, 11)	£83,519 =====	£58,678 =====

These accounts were approved on 29 January 2018 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 2017

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 accounts have been prepared on the historical cost basis.

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. Transition to FRS102

The charity transitioned from the previous UK GAAP to FRS102 as at 6 April 2015. Details of how FRS102 has affected the reported financial position and financial performance are disclosed in note 13.

e. Judgements and key sources of uncertainty from estimation

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

f. 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.

g. Donations and voluntary income

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

Kollel Beis Aharon

Notes to the Accounts - 5 April 2017 (continued)

h. **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.

i. **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.

j. **Governance costs**

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

k. **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**

	2017 £	2016 £
Voluntary income	£332,910 =====	£252,977 =====

3. **Activities for generating funds**

Dinner Income	£276,731 =====	£ 7,594 =====
---------------	-------------------	------------------

Dinner Income for the year under review represents most of the funds received following pledges at the dinner in May 2016. Some residual amounts which had not been recovered by the year end will be reported in next year's accounts. Dinner Income from the prior year represents residual payments pledged at the fundraising dinner which took place in the 2014 financial year.

Kollel Beis Aharon

Notes to the Accounts - 5 April 2017 (continued)

4.	Fundraising	2017 £	2016 £
	Fundraising dinner expenses	£84,977 =====	£1,695 =====
5.	Costs in furtherance of charitable objects		
	<i>Education costs</i>		
	Consultancy and professional fees	2,566	6,112
	Lecture expenses	12,437	8,889
	Office expenses	10,160	4,110
	Professionals Beis Hamedrash Programme	141,669	78,275
	Telephone	944	807
	Tutors	<u>119,407</u>	<u>124,827</u>
		287,183	223,020
	<i>Synagogue operating costs</i>		
	Advertising	1,582	1,680
	Bank charges	270	561
	Books	4,679	972
	Cleaning expenses	7,115	7,825
	Equipment	336	545
	Food and drink	5,358	5,529
	Insurance	809	736
	Printing and stationery	1,127	1,298
	Professional fees	-	3,062
	Sefer Torah Scroll dedication ceremony (2015)	-	2,173
	Repairs	<u>1,939</u>	<u>1,961</u>
		23,215	26,342
	Grants to local organisations with common objects	189,425	5,050
	Welfare grants to individuals	-	500
	Total costs in furtherance of charitable objects	£499,823 =====	£254,912 =====
	Details of material grants are available on request to the trustees.		
6.	Governance costs	2017 £	2016 £
		£ - =====	£ - =====

Kollel Beis Aharon

Notes to the Accounts - 5 April 2017 (continued)

7.	Analysis of staff costs	2017 £	2016 £
	Wages and salaries	119,408	124,827
	Social security	-	-
	Other staff costs	-----	-----
		£119,408	£124,827
		=====	=====

No employee received remuneration of more than £60,000 during the year or the preceding year. 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 19 (2016: 20).

8.	Debtors	2017 £	2016 £
	Other debtors	£17,944	£31,594
		=====	=====

Other debtors represents surplus funds from the dinner loaned to LTC Trust Co., charity number 1106673. The loan is interest free and repayable on demand.

9.	Creditors: Amounts falling due within 1 year	2017 £	2016 £
	Sundry creditors	£ 3,691	£ 384
		=====	=====

10.	Statement of funds	6 April 2016 £	Income £	Expenditure £	5 April 2017 £
	Unrestricted Funds				
	General Reserve	£58,678	£609,641	£584,800	£83,519
		-----	-----	-----	-----

11.	Analysis of net assets between funds	Unrestricted and total funds 2017	Total funds 2016
	Current assets	87,210	59,062
	Creditors due in less than once year	(3,691)	(384)
		£83,519	£58,678
		=====	=====

Kollel Beis Aharon

Notes to the Accounts - 5 April 2017 (continued)

12. Related party transactions

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

13. Transition to FRS102

These are the first financial statements that comply with FRS102 following the transition on 6 April 2015.

The policies applied under the entity's previous accounting framework are not materially different to Charities SORP (FRS102) and have not impacted on the Statement of Financial activities or any Funds. As a result, no adjustments were required on transition.