

Charity Registration No. 1069048

Company Registration No. 3413207 (England and Wales)

AISH HATORAH UK LTD
TRUSTEES' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2004



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AISH HATORAH UK LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Steven Saul Rosenblatt Max Alan London Sonya London
Charity number	1069048
Company number	3413207
Principal address	379 Hendon Way Hendon Central London NW4 3LP
Registered office	167-169 Great Portland St London W1W 5PF
Auditors	Sam Rogoff & Co 167-169 Great Portland Street London W1W 5PF
Bankers	National Westminster Bank Plc 5 Central Circus London NW4 3LE

AISH HATORAH UK LTD

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AISH HATORAH UK LTD

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2004

The trustees present their report and accounts for the period ended 31 December 2004.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Objects of the charity

Aish HaTorah UK Ltd is a company limited by guarantee. The charity's objects are outlined below.

The policies adopted in furtherance of these objects are as follows, and there has been no change in these during the period.

The Charity aims to reach out to unaffiliated young Jewish people in the UK in order to re-ignite pride in and instil knowledge of their Jewish heritage. The Charity goes about achieving this objective through regular educational and social events across the UK, with overseas educational programmes in the summer and at other key points in the year.

The charity is run along departmental lines, based primarily on target market age groups. Central services for finance, IT and design and marketing provide support to the organisation as a whole. Satellite branches around the UK make use of the head office in Hendon, London for all Central services.

The Charity is a self-contained legal and financial entity in the UK, but is part of a world-wide organisation based in Israel and with branches across North and South America, South Africa, Australia and the former Soviet Union. The Charity also maintains and continues to build close relations with other UK organisations which operate in a similar field of activity.

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

Review of activities

During the period under review, Aish has expanded significantly and additional staff have been appointed to service this expansion of activity despite the arson attack and fire in the summer which resulted in serious damage to the building. Significant progress has been made in broadening the geographical reach of the Charity's educational and social programmes and further expansion is planned in the coming years in the form of a five year plan which if achieved will generate significant expansion of the whole operation. This five year plan includes increasing the number of overseas trips primarily to Israel and USA but also Poland and Belgium and also increasing the numbers of educational staff.

Fund raising has been effective in the year as a result of expanding its educational and social programming through the appointment of key staff and the continuing development and refinement of services.

Trustees

The trustees, who are also the directors for the purpose of company law, who served during the period were:

Steven Saul Rosenblatt

Max Alan London

Sonya London

AISH HATORAH UK LTD

TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

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.

Reserves policy

It is the charity's policy to retain reserves sufficient to meet its forthcoming monthly expenditure. The charity does not retain excess reserves. The charity is reliant upon the support of donations to maintain cash inflow - many of these donations are made regularly, ie. by monthly standing order. From time to time a large one off donation may be received - thus boosting reserves. Overall, expenditure and financial commitments remain fairly constant meaning it is possible to forecast cash flow, and provide for shortfalls.

Risk factors

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 weekly management meetings. A fund-raising database has been established, and this is continually developed to ensure a broad base of donors. 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 for purchases and supplies.

Asset cover for funds

Note 12 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

During 2003 a bank loan of £40,000 was taken out. The loan is repayable in 60 monthly instalments, commencing November 2003. Interest is charged on the loan at 4% above NatWest Bank's base rate.

Related parties

Aish HaTorah UK Ltd is connected with, and makes transfers to Aish Hatorah International based in Jerusalem. Donations are also made to various branches of Aish around the world. Donations are also made to Aish's sister charity - "Eyhat" - based in Jerusalem. This is a girls seminary, and donations take the form of tuition fees for students attending that college.

AISH HATORAH UK LTD

TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Sam Rogoff & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees



Steven Saul Rosenblatt

Trustee

Dated: 28 October 2005

AISH HATORAH UK LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. they are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AISH HATORAH UK LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AISH HATORAH UK LTD

We have audited the accounts of Aish HaTorah UK Ltd for the period ended 31 December 2004 set out on pages 7 to 14. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 4, the trustees, who are also the directors of Aish HaTorah UK Ltd for the purpose of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 December 2004 and of its incoming resources and application of resources, including its income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Sam Rogoff & Co
Chartered Accountants

AISH HATORAH UK LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF AISH HATORAH UK LTD

Registered Auditor
167-169 Great Portland Street
London
W1W 5PF

Dated: 28-10-05.....

AISH HATORAH UK LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2004

	Notes	Unrestricted funds £	Restricted funds £	Total 2004 £	Total 2003 - 18 mth period £
<u>Incoming resources</u>					
Donations & participant contributions	2	1,769,031	222,542	1,991,573	3,368,065
Investment income	3	62	-	62	-
Other incoming resources	4	57,962	-	57,962	-
Total incoming resources		1,827,055	222,542	2,049,597	3,368,065
<u>Resources expended</u>					
Costs of generating funds					
Marketing and Fundraising		176,125	-	176,125	320,093
		176,125	-	176,125	320,093
Net incoming resources available		1,650,930	222,542	1,873,472	3,047,972
Charitable expenditure					
Overseas Programme Expenses		341,491	222,542	564,033	1,171,756
Educational Services		656,054	-	656,054	852,487
UK Operating Expenses		444,324	-	444,324	750,879
Support costs		52,941	-	52,941	66,083
Management and administration		101,197	-	101,197	128,590
Total charitable expenditure		1,596,007	222,542	1,818,549	2,969,795
Total resources expended	5	1,772,132	222,542	1,994,674	3,289,888
Transfers between funds		-	-	-	(167,251)
Net income/(expenditure) for the year/					
Net movement in funds		54,923	-	54,923	(89,074)
Fund balances at 1 January 2004		4,541	-	4,541	93,616
Fund balances at 31 December 2004		59,464	-	59,464	4,542

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

AISH HATORAH UK LTD

BALANCE SHEET AS AT 31 DECEMBER 2004

		2004		2003 - 18 mth period	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		233,616		263,996
Current assets					
Debtors	9	30,930		95,919	
Cash at bank and in hand		53,712		7,123	
		<u>84,642</u>		<u>103,042</u>	
Creditors: amounts falling due within one year	10	<u>(233,685)</u>		<u>(331,163)</u>	
Net current liabilities			<u>(149,043)</u>		<u>(228,121)</u>
Total assets less current liabilities			<u>84,573</u>		<u>35,875</u>
Creditors: amounts falling due after more than one year	11		<u>(25,109)</u>		<u>(31,333)</u>
Net assets			<u>59,464</u>		<u>4,542</u>
Income funds					
Unrestricted funds			<u>59,464</u>		<u>4,542</u>
			<u>59,464</u>		<u>4,542</u>

The accounts were approved by the Board on 28 October 2005



Trustee

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2004

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

1.2 Incoming resources

The income of the charity comprises predominantly of donations. These are recognised only when received and therefore beyond doubt. Gift Aid attributable to donations is recognised upon receipt of the donation, and upon receipt of the appropriate supporting documentation.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	over the term of the lease
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2004	Total 2003 - 18 mth period
	£	£	£	£
Donations and gifts	<u>1,769,031</u>	<u>222,542</u>	<u>1,991,573</u>	<u>3,368,065</u>

3 Investment income

	2004	2003 - 18 mth period
	£	£
Interest receivable	<u>62</u>	<u>-</u>

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

4 Other incoming resources

2004	2003 - 18 mth period
£	£
57,962	-

5 Total resources expended

	Staff costs	Depreciation	Other costs	Total 2004	Total 2003 - 18 mth period
	£	£	£	£	£
Costs of generating funds:					
Marketing and publicity	-	-	176,125	176,125	320,093
Charitable expenditure:					
Overseas Programme Expenses	-	-	564,033	564,033	1,171,756
Educational Services	302,658	22,650	330,746	656,054	852,487
UK Operating Expenses	280,727	20,681	142,916	444,324	750,879
Support costs	43,237	3,564	6,140	52,941	66,083
Management and administration	-	-	101,197	101,197	128,590
	626,622	46,895	1,145,032	1,818,549	2,969,795
	626,622	46,895	1,321,157	1,994,674	3,289,888

Management and administration costs includes payments to the auditors of £3,000, (2003 - £3,000) for audit fees and £356 (2003 - £14,985) for other services.

6 Trustees

S Rosenblatt received a salary of £6,750 paid under PAYE from the Charity during the period, (2003 - £3,000). No other trustees received any remuneration during the period. Expenses were reimbursed.

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

7 Employees

Number of employees

The average monthly number of employees during the period was:

	2004 Number	2003 - 18 MTH PERIOD Number
Educational	13	12
Operational	19	16
Administrative	2	2
	<u>34</u>	<u>30</u>

Employment costs

	2004 £	2003 - 18 mth period £
Wages and salaries	<u>626,622</u>	<u>1,106,388</u>

There were no employees whose annual emoluments were £50,000 or more.

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

8 Tangible fixed assets

	Improvements to premises £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2004	213,048	60,210	211,278	13,837	498,373
Additions	-	11,902	-	18,491	30,393
Disposals	-	(6,140)	-	(16,087)	(22,227)
At 31 December 2004	213,048	65,972	211,278	16,241	506,539
Depreciation					
At 1 January 2004	54,517	35,921	130,835	4,755	226,028
Charge for the period	16,400	7,513	20,111	2,871	46,895
At 31 December 2004	70,917	43,434	150,946	7,626	272,923
Net book value					
At 31 December 2004	142,131	22,538	60,332	8,615	233,616
At 31 December 2003	158,531	15,940	80,443	9,082	263,996

9 Debtors

	2004 £	2003 - 18 MTH PERIOD £
Other debtors	30,930	75,416
Prepayments and accrued income	-	20,503
	30,930	95,919

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

10 Creditors: amounts falling due within one year	20042003 - 18 MTH PERIOD	
	£	£
Bank overdrafts	8,620	122,536
Trade creditors	76,018	90,441
Taxes and social security costs	22,167	16,379
Bank Loan < 1	39,655	8,000
Other creditors	85,225	91,807
Deferred income	2,000	2,000
	<u>233,685</u>	<u>331,163</u>

At the end of 2003 a bank loan was taken out with Nat West Bank - this was to assist with cash flow, and to consolidate existing loans. The term of the loan is over 5 years. The loan is underwritten by a personal guarantee from S Rosenblatt - a Trustee.

11 Creditors: amounts falling due after more than one year	20042003 - 18 MTH PERIOD	
	£	£
Trade creditors	<u>25,109</u>	<u>31,333</u>
Debt due in one year or less	-	8,000
In more than one year but not more than two years	-	23,333

12 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2004 are represented by:			
Tangible fixed assets	233,616	-	233,616
Current assets	84,642	-	84,642
Creditors: amounts falling due within one year	(233,685)	-	(233,685)
Creditors: amounts falling due after more than one year	(25,109)	-	(25,109)
	<u>59,464</u>	<u>-</u>	<u>59,464</u>

AISH HATORAH UK LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2004

13 Contingent liabilities

Aish Ha Torah UK Limited is currently in dispute with Freshwater over a rent review. The landlords wish to increase the rent by £20,000 per annum backdating to March/ April 2004, meaning a potential liability of approximately £30,000. The dispute is ongoing and Aish are considering a counterclaim of £8,000 to £9,000 for damages to part of the property.