

Kollel Zichron Shaul
Unaudited Financial Statements
31 May 2021

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Kollel Zichron Shaul

Financial Statements

Year ended 31 May 2021

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Kollel Zichron Shaul

Trustees' Annual Report

Year ended 31 May 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2021.

Reference and administrative details

Registered charity name	Kollel Zichron Shaul
Charity registration number	1053707
Principal office	221a Coatsworth Road Gateshead Tyne & Wear NE8 1SR

The trustees

D Steinberg	
S Steinberg	
A J Schechter	(Appointed 21 May 2021)

Independent examiner	D Schwarz FCCA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
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Structure, governance and management

Kollel Zichron Shaul is a charitable trust constituted by a Deed of Trust dated 1 March 1996 and is a registered charity, number 1053707.

The Trustees have the authority to appoint new trustees as the need arises. A new trustee would receive copies of the previous years' Annual Report and Accounts and a copy of the Charity Commission leaflet 'The Essential Trustee : What you need to know'.

Risk Management

The trustees have identified and reviewed the major risks to which the charity is exposed. Both manual and automated checks are regularly invoked, particularly those relating to the operations and finance of the charity. The trustees are satisfied that these systems and procedures mitigate any perceived risks.

Kollel Zichron Shaul

Trustees' Annual Report *(continued)*

Year ended 31 May 2021

Objectives and activities

The objectives of the charity are the promotion and advancement of Jewish religious education.

Public Benefit Policy

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Grant Making Policy

Grants are made to charitable institutions, organisations and individuals who accord with the objects of the charity.

Achievements and performance

During the year the charity received £503,344 in donations, the charity spent £360,135 promoting Jewish religious education in accordance with its objects.

Financial review

As at 30 May 2021 the charity held free reserves of £195,106 (2020:£20,771).

The charity has designated these funds towards refurbishing their building, to bring the facilities up to date. This refurbishment is currently taking place.

Reserves Policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The trustees are satisfied that the balance of the Fund is an acceptable level of reserves. The Charity has a policy to retain reserves in order to ensure that it is in a position to continue its grant making activities and cover contingencies of additional calls being made upon the Charity for support of organisations in times of need.

The trustees' annual report was approved on 1 April 2022 and signed on behalf of the board of trustees by:

.....

Trustee

Kollel Zichron Shaul

Independent Examiner's Report to the Trustees of Kollel Zichron Shaul

Year ended 31 May 2021

I report to the trustees on my examination of the financial statements of Kollel Zichron Shaul ('the charity') for the year ended 31 May 2021.

Responsibilities and basis of report

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 Act').

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

Independent examiner's statement - matter of concern identified

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable 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.

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.

D Schwarz FCCA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Kollel Zichron Shaul

Statement of Financial Activities

Year ended 31 May 2021

		2021		2020
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	502,594	502,594	465,541
Investment income	5	750	750	714
Total income		<u>503,344</u>	<u>503,344</u>	<u>466,255</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	19,062	19,062	6,557
Expenditure on charitable activities	7,8	360,135	360,135	366,734
Total expenditure		<u>379,197</u>	<u>379,197</u>	<u>373,291</u>
Net income and net movement in funds		<u>124,147</u>	<u>124,147</u>	<u>92,964</u>
Reconciliation of funds				
Total funds brought forward		151,169	151,169	58,205
Total funds carried forward		<u>275,316</u>	<u>275,316</u>	<u>151,169</u>

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

The notes on pages 7 to 13 form part of these financial statements.

Kollel Zichron Shaul

Statement of Financial Position

31 May 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	14		130,210	130,398
Current assets				
Debtors	15	22,217		3,882
Cash at bank and in hand		<u>186,649</u>		<u>26,649</u>
		208,866		30,531
Creditors: amounts falling due within one year	16	<u>13,760</u>		<u>9,760</u>
Net current assets			<u>195,106</u>	<u>20,771</u>
Total assets less current liabilities			<u>325,316</u>	<u>151,169</u>
Creditors: amounts falling due after more than one year	17		<u>50,000</u>	<u>—</u>
Net assets			<u>275,316</u>	<u>151,169</u>
Funds of the charity				
Unrestricted funds			<u>275,316</u>	<u>151,169</u>
Total charity funds	18		<u>275,316</u>	<u>151,169</u>

These financial statements were approved by the board of trustees and authorised for issue on 1 April 2022, and are signed on behalf of the board by:

.....
Trustee

The notes on pages 7 to 13 form part of these financial statements.

Kollel Zichron Shaul

Statement of Cash Flows

Year ended 31 May 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	124,147	92,964
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	188	209
Other interest receivable and similar income	(750)	(714)
Accrued (income)/expenses	(840)	1,020
<i>Changes in:</i>		
Trade and other debtors	(18,335)	21,518
Trade and other creditors	4,840	(3,170)
Cash generated from operations	109,250	111,827
Interest received	750	714
Net cash from operating activities	<u>110,000</u>	<u>112,541</u>
Cash flows from investing activities		
Purchase of tangible assets	—	(106,539)
Net cash used in investing activities	<u>—</u>	<u>(106,539)</u>
Cash flows from financing activities		
Proceeds from borrowings	50,000	—
Net cash from financing activities	<u>50,000</u>	<u>—</u>
Net increase in cash and cash equivalents	160,000	6,002
Cash and cash equivalents at beginning of year	26,649	20,647
Cash and cash equivalents at end of year	<u>186,649</u>	<u>26,649</u>

The notes on pages 7 to 13 form part of these financial statements.

Kollel Zichron Shaul

Notes to the Financial Statements

Year ended 31 May 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 221a Coatsworth Road, Gateshead, Tyne & Wear, NE8 1SR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

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.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported at the year end.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	- 10% reducing balance
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Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	414,434	414,434	439,109	439,109
Other donations and legacies				
Miscellaneous income	88,160	88,160	26,432	26,432
	<u>502,594</u>	<u>502,594</u>	<u>465,541</u>	<u>465,541</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	53	53	249	249
Other interest receivable	697	697	465	465
	<u>750</u>	<u>750</u>	<u>714</u>	<u>714</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies	19,062	19,062	6,557	6,557

Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable activities	167,944	167,944	185,810	185,810
Grants payable	191,170	191,170	173,007	173,007
Support costs	1,021	1,021	7,917	7,917
	<u>360,135</u>	<u>360,135</u>	<u>366,734</u>	<u>366,734</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable activities	167,944	–	–	167,944	185,810
Grants payable	–	191,170	–	191,170	173,007
Governance costs	–	–	1,021	1,021	7,917
	<u>167,944</u>	<u>191,170</u>	<u>1,021</u>	<u>360,135</u>	<u>366,734</u>

9. Analysis of grants

	2021 £	2020 £
Grants to individuals		
Grants to individuals	191,170	173,007
Total grants	<u>191,170</u>	<u>173,007</u>

All grants were made to individuals for the advancement of Jewish religious education.

10. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>188</u>	<u>209</u>

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>1,020</u>	<u>1,020</u>

12. Staff costs

Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

12. Staff costs *(continued)*

The average head count of employees during the year was 27 (2020: 25). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of faculty staff	26	24
Number of administrative staff	1	1
	<u>27</u>	<u>25</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

14. Tangible fixed assets

	Land and buildings £	Torah Scrolls £	Equipment £	Library £	Total £
Cost					
At 1 June 2020 and 31 May 2021	<u>106,539</u>	<u>20,000</u>	<u>3,229</u>	<u>1,978</u>	<u>131,746</u>
Depreciation					
At 1 June 2020	—	—	1,348	—	1,348
Charge for the year	—	—	188	—	188
At 31 May 2021	<u>—</u>	<u>—</u>	<u>1,536</u>	<u>—</u>	<u>1,536</u>
Carrying amount					
At 31 May 2021	<u>106,539</u>	<u>20,000</u>	<u>1,693</u>	<u>1,978</u>	<u>130,210</u>
At 31 May 2020	<u>106,539</u>	<u>20,000</u>	<u>1,881</u>	<u>1,978</u>	<u>130,398</u>

15. Debtors

	2021 £	2020 £
HMRC Gift Aid	2,568	600
Other debtors	<u>19,649</u>	<u>3,282</u>
	<u>22,217</u>	<u>3,882</u>

Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	1,020	1,860
Other creditors	12,740	7,900
	<u>13,760</u>	<u>9,760</u>

17. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	<u>50,000</u>	<u>—</u>

18. Analysis of charitable funds

Unrestricted funds

	At 1 June 2020	Income	Expenditure	At 31 May 2021
	£	£	£	£
General funds	<u>151,169</u>	<u>503,344</u>	<u>(379,197)</u>	<u>275,316</u>

	At 1 June 2019	Income	Expenditure	At 31 May 2020
	£	£	£	£
General funds	<u>58,205</u>	<u>466,255</u>	<u>(373,291)</u>	<u>151,169</u>

19. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	130,210	130,210
Current assets	208,866	208,866
Creditors less than 1 year	(13,760)	(13,760)
Creditors greater than 1 year	(50,000)	(50,000)
Net assets	<u>275,316</u>	<u>275,316</u>

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	130,398	130,398
Current assets	30,531	30,531
Creditors less than 1 year	(9,760)	(9,760)
Creditors greater than 1 year	—	—
Net assets	<u>151,169</u>	<u>151,169</u>

Kollel Zichron Shaul

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

20. Analysis of changes in net debt

	At 1 Jun 2020	Cash flows	At 31 May 2021
	£	£	£
Cash at bank and in hand	26,649	160,000	186,649
Debt due after one year	—	(50,000)	(50,000)
	<u>26,649</u>	<u>110,000</u>	<u>136,649</u>

21. Related parties

Mr D Steinberg and Mr A J Schechter, trustees of Kollel Zichron Shaul are also directors and trustees of IFT Properties Ltd.

At the beginning of the year, Kollel Zichron Shaul had a balance of £4,000 owing to IFT Properties, payments of £2,760 were made during the year leaving a balance owing of £1,240, this loan is interest free.