KEREM SCHOOLS

England & Wales · Charity number 1063815

Details

Status	Registered
Legal form	Charitable company
Company number	03391872
Registered	1997-08-06
Register	View on the Charity Commission register

Contact

Address	Kerem School Norrice Lea London N2 0RE
Phone	02084550909
Email	admin@keremschool.co.uk
Website	www.keremschool.co.uk

Activities

Objects: [1] TO ESTABLISH AND MAINTAIN A KINDERGATEN TO PROVIDE EDUCATION IN ACCORDANCE WITH THE LAWS AND USAGES OF ORTHODOX JUDAISM UPON WHICH , IN CASE OF DOUBT, THE DECISION OF THE CHIEF RABBI OF THE UNITED HEBREW CONGREGATION OF THE BRITISH COMMONWEALTH SHALL BE FINAL; AND [2] TO ESTABLISH AND MAINTAIN, IN ASSOCIATION WITH SUCH KINDERGATEN , PRIMARY AND / OR SECONDARY SCHOOLS IN MANNER SIMILAR TO THE FOREGOING

Activities: Education from the age of 3-11

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** GREATER LONDON
- Barnet

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£2,431,562	£2,325,421	£1,016,221	48
2023-08-31	£2,393,827	£2,341,489	£910,080	48
2022-08-31	£2,247,614	£2,047,763	£857,742	49
2021-08-31	£1,886,446	£1,953,399	£664,561	49
2020-08-31	£2,042,003	£2,266,286	£731,514	50

Trustees

Name	Role	Appointed
Sonia Abrahams	Chair	2018-04-30
Asher David MILLER		2014-09-01
JULIAN TAYLOR		

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KEREM SCHOOLS

England & Wales - Charity number 1063815

Accounts

REGISTERED COMPANY NUMBER: 03391872 (England and Wales)
REGISTERED CHARITY NUMBER: 1063815

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

FOR

KEREM SCHOOLS

Xeinadin Audit Limited, Statutory Auditor
8th Floor, Becket House
36 Old Jewry
London
EC2R 8DD

KEREM SCHOOLS

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for the year ended 31 August 2024

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REPORT OF THE TRUSTEES
for the year ended 31 August 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

a. Policies and objectives

The Charity was founded in June 1997 to take over the operation of a kindergarten (Kerem House) and a primary school known as "Kerem Schools", a modern orthodox Jewish day school. It commenced its operation on 1 September 1997 when it acquired the assets and liabilities of the Trust which had previously operated the Kerem School.

1. The principal activity of the charity is providing education at primary level.
2. The promotion and development of a balanced modern orthodox education for Jewish children is a cornerstone of the charity.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

b. Strategies for achieving objectives

The charity ensures that its resources are focused towards the recruitment and retention of high quality staff ensuring that the ethos of the school is continued and that the children receive a very good education within a modern orthodox background.

c. Activities undertaken to achieve objectives

The promotion and development of a balanced orthodox education for Jewish children is the keystone of the charity. This is the main activity which is undertaken to further the Charity's purposes for the public benefit.

d. Main activities undertaken to further the Charity's purposes for the public benefit

The charity operates the school known as Kerem school mainly for the benefit of local children.

REPORT OF THE TRUSTEES
for the year ended 31 August 2024

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

a. Main achievements of the Charity

The school continues to operate well with expenses well controlled.

During the year, two major improvement projects were undertaken - new playground equipment for the early years unit and the building of a STEAM (science, technology, art, engineering and maths) Lab. The lab, which opened in September 2023, greatly enhances the childrens' learning with many opportunities to use new and different equipment. Both of these were well received by the staff and the pupils.

b. Key performance indicators

The key performance indicators used by the charity are:

~ Attendance at the school.
~ Results of regulatory inspections.
~ Income in the year relative to expenditure.
~ Adequacy of its reserves.

c. Review of activities

The charity continued in its pursuit in the provision of an exceptional orthodox education, and spent £2,325,421 directly towards that end (2023- £2,341,489). Of this amount, £1,668,376 (2023- £1,662,235) related directly to staff. The charity made a surplus and was able to increase its net reserves to £1,016,221 (2023- £910,080).

d. Factors relevant to achieve objectives

The main factors relevant to the Charity's ability to achieve its objectives are as follows:

~ The adequacy of its financial reserves.
~ The ability of the school to recruit and retain competent and experienced staff members.
~ The ability of the school to continue to receive exceptional feedback from its regulator.

e. Fundraising activities and income generation

The main income generation of the school is via fees.

f. Investment policy and performance

Any surplus funds at any time are held in an interest bearing deposit account in order to generate funds to help fund charitable activities and any future projects.

FINANCIAL REVIEW

Investment policy and objectives

Under its Memorandum of Association, the charity has the power to invest in any way the trustees wish.

Reserves policy

The reserves policy of the school is driven by the need to ensure the ability to continue providing a modern Jewish education to the pupils. Reports following recent regulatory inspections have been excellent. The trustees continue to be fortified in the knowledge that Kerem Schools offer high quality education in a stimulating modern environment.

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through donations and parental contributions. The trustees consider the ideal level of reserves at 31 August 2024 would be three months of resources which would be approximately £600,000.

The free reserves (total reserves less restricted funds and fixed assets) as at 31 August 2024 were £894,719.

FUTURE PLANS

The charity plans to run the school at its current pupil levels continuing to ensure the current high standards at the school.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee without share capital and incorporated on 25 June 1997 and registered as a charity on 6 August 1997.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

Trustees may be appointed by the existing trustees at any time, either to fill a casual vacancy or as an addition to the existing trustees. Any trustees so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election. No trustee had any beneficial interest in any contract with the charitable entity during the year.

Organisational structure

The school was run during the year by an excellent team of teachers led by Naomi Simon. The Governors determine the general policy of the School. The day to day running of the School is delegated to the Head, supported by senior staff.

The Charity and its school are administered by its board of trustees and various sub-committees including the board of governors. The major risks to which the charity is exposed have been reviewed by the trustees and systems are in place to minimise these risks.

Induction and training of new trustees

All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Principal risks and uncertainties

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.

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that the trustees, employees of the school and all those who work or volunteer for the school and work with children must obtain clearance from the Disclosure and Barring Service. The school has developed a safeguarding policy and one of the trustees is responsible for ensuring this policy is adhered to. Safeguarding training is compulsory for all staff.

The key risks identified by management are as follows:

~ Reputation -The school's success is built on its reputation for the education and well being of pupils. Risk is managed through various policies including safeguarding, staff recruitment and health and safety. The management of the school are continually investigating additional ways to teach and implementing them as soon as they are available.

~ Pupil numbers - The trustees recognise that pupil numbers are a key driver of the school's financial sustainability and overall performance. A sustained fall in enrolment could adversely affect the school's income, making this a significant area of strategic risk. To mitigate the risk the school monitors enrolment trends closely and maintains a strong focus on pupil recruitment and retention. Marketing initiatives are regularly reviewed and refined.

~ Funding -The ability for the school to continue is reliant on pupil fees and the ability of the school to pay bills as they fall due. The risk is managed by controls put in place by the management and trustees and a modern orthodox ethos in the school.

Financial risk management objectives and policies

The trustees are responsible for the management of risks faced by the school. The governors routinely consider any perceived risks faced by the school and are assisted in this by the head and other key members of the schools senior management team. Key controls used to identify and control financial risks during the year include:

~ Formal agenda items for governors committee meetings.
~ Established organisational structure and lines of reporting.
~ Maintaining appropriate insurance.
~ Regular review of budgets against actual performance.
~ Comprehensive strategic planning, budgeting and management accounting.

Principal funding

The principal source of funding is fees for the school year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03391872 (England and Wales)

Registered Charity number

1063815

Registered office

Kerem School
Norrice Lea
London
N2 0RE

Trustees

Mrs S Abrahams (appointed 17.10.23)
Mr A D Miller
Mr J D Taylor
Ms S Leek Trustee (resigned 17.10.23)

Company Secretary

Mr A D Miller

REFERENCE AND ADMINISTRATIVE DETAILS

Senior Statutory Auditor
Mr Yedidya Zaiden, FCCA

Auditors
Xeinadin Audit Limited, Statutory Auditor
8th Floor, Becket House
36 Old Jewry
London
EC2R 8DD

PUBLIC BENEFIT REPORT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and 'The Advancement of Religion for the Public Benefit' in particular, when reviewing the aim and objectives and in planning the charity's future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Kerem Schools for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Xeinadin Audit Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21 May 2025 and signed on its behalf by:

Mr A D Miller - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KEREM SCHOOLS

Opinion
We have audited the financial statements of Kerem Schools (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Employment Law; Data Protection Legislation; The Code of Fundraising Practice; and Safeguarding Regulations as they affect the direct charitable activities of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected transactions;
- tested the appropriateness of journal entries;
- tested authorisation of expenditure;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

To address the risk that revenue could be misstated due to fraud. we:
- we obtained an understanding of the company's revenue recognition policies and compared these to the accounting standard;
- performed a walkthrough to confirm our understanding of the processes and controls through which the business initiates, records, processes and reports revenue transactions;
- tested a sample of revenue transactions to supporting evidence.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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 auditors' 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Yedidya Zaiden, FCCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited, Statutory Auditor
8th Floor, Becket House
36 Old Jewry
London
EC2R 8DD

21 May 2025

KEREM SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	40,770	18,215	58,985	49,023
Charitable activities	4				
Provision of education		2,330,139	291	2,330,430	2,312,726
Investment income	3	42,147	-	42,147	14,578
Other income		-	-	-	17,500
Total		2,413,056	18,506	2,431,562	2,393,827
EXPENDITURE ON					
Charitable activities	5				
Provision of education		2,292,343	33,078	2,325,421	2,341,489
NET INCOME/(EXPENDITURE)		120,713	(14,572)	106,141	52,338
RECONCILIATION OF FUNDS					
Total funds brought forward		821,324	88,756	910,080	857,742
TOTAL FUNDS CARRIED FORWARD		942,037	74,184	1,016,221	910,080

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEET
31 August 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	47,318	74,138	121,456	134,086
CURRENT ASSETS					
Debtors	12	377,646	-	377,646	316,343
Cash at bank and in hand		1,799,072	46	1,799,118	1,904,600
		2,176,718	46	2,176,764	2,220,943
CREDITORS					
Amounts falling due within one year	13	(945,090)	-	(945,090)	(1,046,745)
NET CURRENT ASSETS		1,231,628	46	1,231,674	1,174,198
TOTAL ASSETS LESS CURRENT LIABILITIES		1,278,946	74,184	1,353,130	1,308,284
CREDITORS					
Amounts falling due after more than one year	14	(336,909)	-	(336,909)	(398,204)
NET ASSETS		942,037	74,184	1,016,221	910,080
FUNDS	15				
Unrestricted funds				942,037	821,324
Restricted funds				74,184	88,756
TOTAL FUNDS				1,016,221	910,080

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 May 2025 and were signed on its behalf by:

Mr A D Miller - Trustee

The notes form part of these financial statements

KEREM SCHOOLS

CASH FLOW STATEMENT
for the year ended 31 August 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(132,470)	115,141
Interest paid		(971)	(1,383)
Net cash (used in)/provided by operating activities		(133,441)	113,758
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,188)	(117,010)
Sale of tangible fixed assets		-	21,000
Interest received		42,147	14,578
Net cash provided by/(used in) investing activities		27,959	(81,432)
Change in cash and cash equivalents in the reporting period		(105,482)	32,326
Cash and cash equivalents at the beginning of the reporting period		1,904,600	1,872,274
Cash and cash equivalents at the end of the reporting period		1,799,118	1,904,600

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	106,141	52,338
Adjustments for:		
Depreciation charges	26,818	4,269
Profit on disposal of fixed assets	-	(17,500)
Interest received	(42,147)	(14,578)
Interest paid	971	1,383
Increase in debtors	(61,303)	(80,861)
(Decrease)/increase in creditors	(162,950)	170,090
Net cash (used in)/provided by operations	(132,470)	115,141

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank and in hand	1,904,600	(105,482)	1,799,118
	1,904,600	(105,482)	1,799,118
Total	1,904,600	(105,482)	1,799,118

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Legal status of the Charity
The charity is a private company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income
Donations are recognised as income when the charity has entitlement to the funds, the amount can be measured reliably, and it is probable that the income will be received. Donations given for specific purposes are treated as restricted income, while those given for general use are recognised as unrestricted income.

School fees income is recognised on an accruals basis over the period to which the fees relate. Fees received in advance of the academic period are deferred and recognised as income in the relevant financial period.

Interest income from deposit accounts is recognised on an accruals basis, using the effective interest rate method. Income is included in the Statement of Financial Activities when it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Charitable activities
The cost of charitable activities comprises those incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets and depreciation
Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Long-term leasehold property - Over lease term
Improvements to property- 20% per annum on reducing balance (not in first year)
Playground equipment- 20% per annum on reducing balance (not in first year)
Motor vehicles - 25% per annum on reducing balance

Taxation
The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of settlement can be estimated reliably.

continued...

1. ACCOUNTING POLICIES - continued

Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Critical accounting estimates and judgements
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

Pensions
The charity operates two pension schemes. A defined benefit scheme with the Teachers' Pension Scheme (TPS), which is only available to teaching staff. The administration of this scheme is dealt with by the Teachers' Pension Agency. In addition there is a Personal Pension Scheme which is available to all other employees.

Contributions to both schemes are charged directly to the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	58,985	49,023

3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	42,147	14,578

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Provision of education	Provision of education	2,330,430	2,312,726

continued...

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Provision of education	2,102,754	222,667	2,325,421

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Provision of education	205,667	17,000	222,667

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	26,818	4,269
Surplus on disposal of fixed assets	-	(17,500)

8. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	13,400	11,400

There were fees payable to Raffingers Holdings Limited of £3,600 (2023: £3,600) for non audit services.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

continued...

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,336,922	1,264,348
Social security costs	112,248	116,846
Other pension costs	219,206	281,041
	1,668,376	1,662,235

The average monthly number of employees during the year was as follows:

	2024	2023
Teaching	41	40
Administration and support	7	8
	48	48

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	2	1

11. TANGIBLE FIXED ASSETS

	Long leasehold	Improvements to property	Playground equipment	Totals
	£	£	£	£
COST				
At 1 September 2023	580,250	49,084	101,277	730,611
Additions	-	-	14,188	14,188
At 31 August 2024	580,250	49,084	115,465	744,799
DEPRECIATION				
At 1 September 2023	580,250	-	16,275	596,525
Charge for year	-	9,817	17,001	26,818
At 31 August 2024	580,250	9,817	33,276	623,343
NET BOOK VALUE				
At 31 August 2024	-	39,267	82,189	121,456
At 31 August 2023	-	49,084	85,002	134,086

continued...

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	284,487	261,315
Other debtors	954	249
Prepayments and accrued income	92,205	54,779
	377,646	316,343

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	44,689	57,012
Other creditors	67,477	76,586
Accruals and deferred income	776,331	782,202
Accrued expenses	56,593	130,945
	945,090	1,046,745

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Deposits	336,909	398,204

15. MOVEMENT IN FUNDS

	At 1.9.23	Net movement in funds	At 31.8.24
	£	£	£
Unrestricted funds			
General fund	821,324	120,713	942,037
Restricted funds			
Big grant	60,683	(6,544)	54,139
Steam room	25,000	(5,000)	20,000
Staff gifts	112	(67)	45
Sponsored readings	1,163	(1,163)	-
STP grant	798	(798)	-
Bikes	1,000	(1,000)	-
	88,756	(14,572)	74,184
TOTAL FUNDS	910,080	106,141	1,016,221

continued...

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,413,056	(2,292,343)	120,713
Restricted funds			
Big grant	4,189	(10,733)	(6,544)
Steam room	-	(5,000)	(5,000)
Staff gifts	291	(358)	(67)
Sponsored readings	-	(1,163)	(1,163)
STP grant	-	(798)	(798)
Bikes	-	(1,000)	(1,000)
Security guards	4,096	(4,096)	-
Siddurim	247	(247)	-
Active wall	5,688	(5,688)	-
CCTV	3,995	(3,995)	-
	18,506	(33,078)	(14,572)
TOTAL FUNDS	2,431,562	(2,325,421)	106,141

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	800,505	20,819	821,324
Restricted funds			
Big grant	53,808	6,875	60,683
Steam room	-	25,000	25,000
Staff gifts	-	112	112
School equipment	468	(468)	-
Sponsored readings	1,163	-	1,163
STP grant	798	-	798
Bikes	1,000	-	1,000
	57,237	31,519	88,756
TOTAL FUNDS	857,742	52,338	910,080

continued...

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,356,471	(2,335,652)	20,819
Restricted funds			
Big grant	6,875	-	6,875
IT equipment	5,000	(5,000)	-
Sports Equipment	69	(69)	-
Steam room	25,000	-	25,000
Staff gifts	412	(300)	112
School equipment	-	(468)	(468)
	37,356	(5,837)	31,519
TOTAL FUNDS	2,393,827	(2,341,489)	52,338

Unrestricted funds represent funds available to the trustees for the general purposes of the charity.

Restricted funds
During the year, the charity received donations and grants to be applied for specific purposes as listed below:

Big grant - This fund is used for the development of a new playground.
IT equipment - This fund is used for the purchase of school IT equipment.
Steam room - This fund is used for a classroom refurbishment.
Staff gifts- This fund is used for staff gifts and refreshments.
School equipment - This fund is used for the purchase of school equipment.
Sponsored readings - This fund is used for sponsored readings.
STP Grant - This fund is used for a school travel plan which encourages the children to walk to school.
Bikes - This is a fund used to buy balance bikes for the Early Years Unit.
Security guards - This is a fund used to pay for extra security post the 7th October tragedy.
Siddurim - This is a fund used to buy Jewish prayer books.
CCTV - This is a fund used for additional school security.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year under review.

17. RETIRED BENEFIT SCHEMES

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £219,206 (2023: £281,041).

The charity has 2 pension schemes, Teachers Pension Scheme (TPS) for teachers and Nest for other staff.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the group in such a way that the pension cost is at a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying asset to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purpose and the contributions recognised in the period to which they relate.

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KEREM SCHOOLS

England & Wales - Charity number 1063815

Accounts

REGISTERED COMPANY NUMBER: 03391872 (England and Wales)
REGISTERED CHARITY NUMBER: 1063815

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

FOR

KEREM SCHOOLS

Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

KEREM SCHOOLS

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for the year ended 31 August 2023

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REPORT OF THE TRUSTEES
for the year ended 31 August 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES
Objectives and aims
a. Policies and objectives

The Charity was founded in June 1997 to take over the operation of a kindergarten (Kerem House) and a primary school known as "Kerem Schools", a modern orthodox Jewish day school. It commenced its operation on 1 September 1997 when it acquired the assets and liabilities of the Trust which had previously operated the Kerem School.

1. The principal activity of the charity is providing education at primary level.
2. The promotion and development of a balanced modern orthodox education for Jewish children is a cornerstone of the charity.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

b. Strategies for achieving objectives

The charity ensures that its resources are focused towards the recruitment and retention of high quality staff ensuring that the ethos of the school is continued and that the children receive a very good education within a modern orthodox background.

c. Activities undertaken to achieve objectives

The promotion and development of a balanced orthodox education for Jewish children is the keystone of the charity. This is the main activity which is undertaken to further the Charity's purposes for the public benefit.

d. Main activities undertaken to further the Charity's purposes for the public benefit

The charity operates the school known as Kerem school mainly for the benefit of local children.

REPORT OF THE TRUSTEES
for the year ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

a. Main achievements of the Charity

The school continues to operate well with mostly full classes and expenses well controlled.
During the year, two major improvement projects were undertaken - new playground equipment for the early years unit and the building of a STEAM (science, technology, art, engineering and maths) Lab. The lab, which opened in September 2023, greatly enhances the childrens' learning with many opportunities to use new and different equipment. Both of these were well received by the staff and the pupils.

b. Key performance indicators

The key performance indicators used by the charity are:
~ Attendance at the school.
~ Results of regulatory inspections.
~ Income in the year relative to expenditure.
~ Adequacy of its reserves.

c. Review of activities

The charity continued in its pursuit in the provision of an exceptional orthodox education, and spent £2,341,489 directly towards that end (2022- £2,047,764). Of this amount, £1,662,235 (2022- £1,431,603) related directly to staff. The charity made a small surplus and was able to increase its net reserves to £910,080 (2022- £857,742).

d. Factors relevant to achieve objectives

The main factors relevant to the Charity's ability to achieve its objectives are as follows:
~ The adequacy of its financial reserves.
~ The ability of the school to recruit and retain competent and experienced staff members.
~ The ability of the school to continue to receive exceptional feedback from its regulator.

e. Fundraising activities and income generation

The main income generation of the school is via fees. During the year there was also a campaign to raise funds for the refurbishment of the Early Years Unit playground and the STEAM Lab referred to above.

f. Investment policy and performance

Any surplus funds at any time are held in an interest bearing deposit account in order to generate funds to help fund charitable activities and any future projects.

FINANCIAL REVIEW

Investment policy and objectives

Under its Memorandum of Association, the charity has the power to invest in any way the trustees wish.

Reserves policy

The reserves policy of the school is driven by the need to ensure the ability to continue providing a modern Jewish education to the pupils. Reports following recent regulatory inspections have been excellent. The trustees continue to be fortified in the knowledge that Kerem Schools offer high quality education in a stimulating modem environment.

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through donations and parental contributions. The trustees consider the ideal level of reserves at 31 August 2023 would be three months of resources which would be approximately £600,000.

The free reserves (total reserves less restricted funds and fixed assets) as at 31 August 2023 were £772,921.

FUTURE PLANS

The charity plans to run the school at its current pupil levels continuing to ensure the current high standards at the school.

REPORT OF THE TRUSTEES
for the year ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee without share capital and incorporated on 25 June 1997 and registered as a charity on 6 August 1997.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

Trustees may be appointed by the existing trustees at any time, either to fill a casual vacancy or as an addition to the existing trustees. Any trustees so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election. No trustee had any beneficial interest in any contract with the charitable entity during the year.

Organisational structure

The school was run during the year by an excellent team of teachers led by Naomi Simon. The Governors determine the general policy of the School. The day to day running of the School is delegated to the Head, supported by senior staff.

The Charity and its school are administered by its board of trustees and various sub-committees including the board of governors. The major risks to which the charity is exposed have been reviewed by the trustees and systems are in place to minimise these risks.

Induction and training of new trustees

All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Principal risks and uncertainties

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.

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that the trustees, employees of the school and all those who work or volunteer for the school and work with children must obtain clearance from the Disclosure and Barring Service. The school has developed a safeguarding policy and one of the trustees is responsible for ensuring this policy is adhered to. Safeguarding training is compulsory for all staff.

The key risks identified by management are as follows:

~ Reputation -The school's success is built on its reputation for the education and well being of pupils. Risk is managed through various policies including safeguarding, staff recruitment and health and safety. The management of the school are continually investigating additional ways to teach and implementing them as soon as they are available.

~ Funding -The ability for the school to continue is reliant on pupil fees and the ability of the school to pay bills as they fall due. The risk is managed by controls put in place by the management and trustees and a modern orthodox ethos in the school.

Financial risk management objectives and policies

The trustees are responsible for the management of risks faced by the school. The governors routinely consider any perceived risks faced by the school and are assisted in this by the head and other key members of the schools senior management team. Key controls used to identify and control financial risks during the year include:

~ Formal agenda items for governors committee meetings.

~ Established organisational structure and lines of reporting.

~ Maintaining appropriate insurance.

~ Regular review of budgets against actual performance.

~ Comprehensive strategic planning, budgeting and management accounting.

Principal funding

The principal source of funding is fees for the school year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03391872 (England and Wales)

Registered Charity number

1063815

Registered office

Kerem School
Norrice Lea
London
N2 0RE

Trustees

Mrs S Abrahams (appointed 17.10.23)
Mr A D Miller
Mr J D Taylor
Ms S Leek Trustee (resigned 17.10.23)
Mr D Lichtenstein Trustee (resigned 29.3.23)

Company Secretary

Mr A D Miller

Senior Statutory Auditor

Mr Yedidya Zaiden, FCCA

REPORT OF THE TRUSTEES
for the year ended 31 August 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

PUBLIC BENEFIT REPORT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and 'The Advancement of Religion for the Public Benefit' in particular, when reviewing the aim and objectives and in planning the charity's future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Kerem Schools for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Raffingers LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 24 May 2024 and signed on its behalf by:

Mr A D Miller - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KEREM SCHOOLS

Opinion

We have audited the financial statements of Kerem Schools (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Employment Law; Data Protection Legislation; The Code of Fundraising Practice; and Safeguarding Regulations as they affect the direct charitable activities of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected transactions;
- tested the appropriateness of journal entries;
- tested authorisation of expenditure;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

To address the risk that revenue could be misstated due to fraud. we:
- we obtained an understanding of the company's revenue recognition policies and compared these to the accounting standard;
- performed a walkthrough to confirm our understanding of the processes and controls through which the business initiates, records, processes and reports revenue transactions;
- tested a sample of revenue transactions to supporting evidence.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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 auditors' 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Yedidya Zaiden, FCCA (Senior Statutory Auditor)
for and on behalf of Raffingers LLP, Statutory Auditor
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

24 May 2024

KEREM SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	12,079	36,944	49,023	54,308
Charitable activities	4				
Provision of education		2,312,314	412	2,312,726	2,192,807
Investment income	3	14,578	-	14,578	500
Other income		17,500	-	17,500	-
Total		2,356,471	37,356	2,393,827	2,247,615
EXPENDITURE ON					
Charitable activities	5				
Provision of education		2,335,652	5,837	2,341,489	2,047,764
NET INCOME		20,819	31,519	52,338	199,851
RECONCILIATION OF FUNDS					
Total funds brought forward		800,505	57,237	857,742	657,891
TOTAL FUNDS CARRIED FORWARD		821,324	88,756	910,080	857,742

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEET
31 August 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	48,403	85,683	134,086	24,845
CURRENT ASSETS					
Debtors	12	316,343	-	316,343	235,482
Cash at bank and in hand		1,901,526	3,073	1,904,599	1,872,274
		2,217,869	3,073	2,220,942	2,107,756
CREDITORS					
Amounts falling due within one year	13	(1,046,744)	-	(1,046,744)	(904,655)
NET CURRENT ASSETS		1,171,125	3,073	1,174,198	1,203,101
TOTAL ASSETS LESS CURRENT LIABILITIES		1,219,528	88,756	1,308,284	1,227,946
CREDITORS					
Amounts falling due after more than one year	14	(398,204)	-	(398,204)	(370,204)
NET ASSETS		821,324	88,756	910,080	857,742
FUNDS	15				
Unrestricted funds				821,324	800,505
Restricted funds				88,756	57,237
TOTAL FUNDS				910,080	857,742

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24 May 2024 and were signed on its behalf by:

Mr A D Miller - Trustee

The notes form part of these financial statements

KEREM SCHOOLS

CASH FLOW STATEMENT
for the year ended 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	115,140	583,060
Interest paid		(1,383)	(1,406)
Net cash provided by operating activities		113,757	581,654
Cash flows from investing activities			
Purchase of tangible fixed assets		(117,010)	-
Sale of tangible fixed assets		21,000	-
Interest received		14,578	517
Net cash (used in)/provided by investing activities		(81,432)	517
Change in cash and cash equivalents in the reporting period		32,325	582,171
Cash and cash equivalents at the beginning of the reporting period		1,872,274	1,290,103
Cash and cash equivalents at the end of the reporting period		1,904,599	1,872,274

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	52,338	199,851
Adjustments for:		
Depreciation charges	4,269	11,336
Profit on disposal of fixed assets	(17,500)	-
Interest received	(14,578)	(517)
Interest paid	1,383	1,406
	-	2,486
(Increase)/decrease in debtors	(80,861)	224,988
Increase in creditors	170,089	143,510
Net cash provided by operations	115,140	583,060

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22	Cash flow	At 31.8.23
	£	£	£
Net cash			
Cash at bank and in hand	1,872,274	32,325	1,904,599
	1,872,274	32,325	1,904,599
Total	1,872,274	32,325	1,904,599

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Legal status of the Charity
The charity is a private company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income
All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Charitable activities
The cost of charitable activities comprises those incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets and depreciation
Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Long-term leasehold property - Over lease term
Improvements to property- 20% per annum on reducing balance (not in first year)
Playground equipment- 20% per annum on reducing balance (not in first year)
Motor vehicles - 25% per annum on reducing balance

Taxation
The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of settlement can be estimated reliably.

Financial instruments

continued...

1. ACCOUNTING POLICIES - continued

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Critical accounting estimates and judgements
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

Pensions
The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	49,023	54,308

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	14,578	500

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Provision of education	Provision of education	2,312,726	2,189,594
Grants	Provision of education	-	3,213
		2,312,726	2,192,807

continued...

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Provision of education	2,071,266	270,223	2,341,489

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Provision of education	255,223	15,000	270,223

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	4,269	11,336
Surplus on disposal of fixed assets	(17,500)	-

8. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	11,400	6,000

There were fees payable to Raffingers LLP of £3,600 for non audit services.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,264,348	1,163,446
Social security costs	116,846	98,806
Other pension costs	281,041	169,351
	1,662,235	1,431,603

continued...

10. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2023	2022
Teaching	40	40
Administration and support	8	8
	48	48

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	1	1

11. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Playground equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2022	580,250	-	33,351	30,000	643,601
Additions	-	49,084	67,926	-	117,010
Disposals	-	-	-	(30,000)	(30,000)
At 31 August 2023	580,250	49,084	101,277	-	730,611
DEPRECIATION					
At 1 September 2022	580,250	-	12,006	26,500	618,756
Charge for year	-	-	4,269	-	4,269
Eliminated on disposal	-	-	-	(26,500)	(26,500)
At 31 August 2023	580,250	-	16,275	-	596,525
NET BOOK VALUE					
At 31 August 2023	-	49,084	85,002	-	134,086
At 31 August 2022	-	-	21,345	3,500	24,845

continued...

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	261,315	205,227
Other debtors	249	-
Prepayments and accrued income	54,779	30,255
	316,343	235,482

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	57,011	53,228
Social security and other taxes	-	21,479
Other creditors	76,586	76,980
Accruals and deferred income	782,202	728,902
Accrued expenses	130,945	24,066
	1,046,744	904,655

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Deposits	398,204	370,204

15. MOVEMENT IN FUNDS

	At 1.9.22	Net movement in funds	At 31.8.23
	£	£	£
Unrestricted funds			
General fund	800,505	20,819	821,324
Restricted funds			
Big grant	53,808	6,875	60,683
Steam room	-	25,000	25,000
Staff gifts	-	112	112
School equipment	468	(468)	-
Sponsored readings	1,163	-	1,163
STP grant	798	-	798
Bikes	1,000	-	1,000
	57,237	31,519	88,756
TOTAL FUNDS	857,742	52,338	910,080

continued...

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,356,471	(2,335,652)	20,819
Restricted funds			
Big grant	6,875	-	6,875
IT equipment	5,000	(5,000)	-
Sports Equipment	69	(69)	-
Steam room	25,000	-	25,000
Staff gifts	412	(300)	112
School equipment	-	(468)	(468)
	37,356	(5,837)	31,519
TOTAL FUNDS	2,393,827	(2,341,489)	52,338

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	654,430	146,075	800,505
Restricted funds			
Restricted Funds	3,461	53,776	57,237
TOTAL FUNDS	657,891	199,851	857,742

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,193,339	(2,047,264)	146,075
Restricted funds			
Restricted Funds	54,276	(500)	53,776
TOTAL FUNDS	2,247,615	(2,047,764)	199,851

Unrestricted funds represent funds available to the trustees for the general purposes of the charity.

Restricted funds
During the year, the charity received donations and grants to be applied for specific purposes as listed below:

continued...

15. MOVEMENT IN FUNDS - continued

Big grant - This fund is used for the development of a new playground.
IT equipment - This fund is used for the purchase of school IT equipment.
Steam room - This fund is used for a classroom refurbishment.
Staff gifts- This fund is used for staff gifts and refreshments.
School equipment - This fund is used for the purchase of school equipment.
Sponsored readings - This fund is used for sponsored readings.
STP Grant - This fund is used for a school travel plan which encourages the children to walk to school.
Bikes - This is a fund used to buy balance bikes for the Early Years Unit.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year under review. During the previous year, the charity received fee income from certain of the trustees of £7,940.

17. AUDITOR LIABILITY LIMITATION AGREEMENT

The charity has entered into a liability limitation agreement with Raffingers, the statutory auditor, in respect of the statutory audit for the year ended 31 August 2023. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements.

18. RETIRED BENEFIT SCHEMES

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £281,041 (2022: £169,351).

The charity has 2 pension schemes, Teachers Pension Scheme (TPS) for teachers and Nest for other staff.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the group in such a way that the pension cost is at a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying asset to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purpose and the contributions recognised in the period to which they relate.

KEREM SCHOOLS

England & Wales - Charity number 1063815

Accounts

Registered number: 3391872
Charity number: 1063815

KEREM SCHOOLS

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

KEREM SCHOOLS
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Julian Taylor Esq Asher Miller Esq Daniel Lichtenstein Esq (Resigned 29 March 2023) Samantha Leek (Resigned 17 October 2023) Sonia Abrahams (appointed 17 October 2023)
Company registered number	3391872
Charity registered number	1063815
Registered office	Kerem School Norrice Lea London N2 0RE
Independent auditors	BKL Audit LLP 35 Ballards Lane London N3 1XW
Bankers	NatWest Bank plc 1175 Finchley Road London NW11 0BE Santander Bridle Road Bootle L30 4GB

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 September 2021 to 31 August 2022.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Charity was founded in June 1997 to take over the operation of a kindergarten (Kerem House) and a primary school known as "Kerem Schools", an orthodox Jewish day school. It commenced its operation on 1 September 1997 when it acquired the assets and liabilities of the Trust which had previously operated the Kerem Schools.

The principal activity of the charity is providing education at primary level.

The promotion and development of a balanced modern orthodox education for Jewish children is a cornerstone of the charity.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

b. Strategies for achieving objectives

The charity ensures that its resources are focused towards the recruitment and retention of high quality staff ensuring that the ethos of the school is continued and that the children receive a very good education within a modern orthodox background.

c. Activities undertaken to achieve objectives

The promotion and development of a balanced orthodox education for Jewish children is the keystone of the charity. This is the main activity which is undertaken to further the Charity's purposes for the public benefit. benefit.

d. Main activities undertaken to further the Charity's purposes for the public benefit

The charity operates the school known as Kerem school for the benefit of many children.

Achievements and performance

Achievements and performance (continued)

a. Main achievements of the Charity

The school continues to operate well with mostly full classes and expenses well controlled. The school has turned a corner and has returned to a surplus position due to careful management by the staff and trustees.

b. Key performance indicators

The key performance indicators used by the charity are:

- Attendance at the school.
- Results of regulatory inspections.
- Income in the year relative to expenditure.
- Adequacy of its reserves.

c. Review of activities

The charity continued in its pursuit in the provision of an exceptional orthodox education, and spent £2,031,939 directly towards that end (2021: £1,947,228). Of this amount, £1,633,091 related directly to staff and teaching expenses (2021: £1,648,839). In total, the charity invested £2,047,763 back into the school (2021 : £1,960,068) which represented 91% of its income in the year. Furthermore, the charity was able to increase its net reserves in the year by £199,851 (2021: decrease of £73,623). The charity was still able to run the school with increased support.

d. Factors relevant to achieve objectives

The main factors relevant to the Charity's ability to achieve its objectives are as follows:

- The adequacy of its financial reserves.
- The ability of the school to recruit and retain competent and experienced staff members.
- The ability of the school to continue to receive exceptional feedback from its regulator.

e. Fundraising activities and income generation

The main income generation of the school is via fees, during the year there was also a campaign to raise funds for the refurbishment of the Early Years Unit playground – further details of which can be found in note 17).

f. Investment policy and performance

Any surplus funds at any time are held in an interest bearing deposit account in order to generate funds to help fund charitable activities and any future projects.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy of the school is driven by the need to ensure the ability to continue providing a modern Jewish education to the pupils. Reports following recent regulatory inspections have been excellent. The trustees continue to be fortified in the knowledge that Kerem Schools offer high quality education in a stimulating modem environment.

c. Principal risks and uncertainties

The key risks identified by management are as follows:

- Reputation – The school's success is built on its reputation for the education and well being of pupils. Risk is managed through various policies including safeguarding, staff recruitment and health and safety. The management of the school are continually investigating additional ways to teach and implementing them as soon as they are available.
- Funding – The ability for the school to continue is reliant on pupil fees and the ability of the school to pay bills as they fall due. The risk is managed by controls put in place by the management and trustees and a modern orthodox ethos in the school.

d. Financial risk management objectives and policies

The trustees are responsible for the management of risks faced by the school. The governors routinely consider any perceived risks faced by the school and are assisted in this by the head and other key members of the schools senior management team. Key controls used to identify and control financial risks during the year include:

- Formal agenda items for governors committee meetings.
- Established organisational structure and lines of reporting.
- Maintaining appropriate insurance.
- Regular review of budgets against actual performance.
- Comprehensive strategic planning, budgeting and management accounting.

e. Principal funding

The principal source of funding is fees for the school year.

Structure, governance and management

a. Constitution

The charity is a company limited by guarantee, Charity Registration number 1063815. It was established on the 6th August 1997.

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The school was run during the year by an excellent team of teachers led by Naomi Simon. The Governors determine the general policy of the School. The day to day running of the School is delegated to the Head, supported by senior staff.

The Charity and its school are administered by its board of trustees and various sub-committees including the board of governors. The major risks to which the charity is exposed have been reviewed by the trustees and systems are in place to minimise these risks.

d. Policies adopted for the induction and training of Trustees

All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

e. Trustees

The following were the trustees who were in office during th year:

Samantha Leek (resigned 17 October 2023).

Dan Lichtenstein (resigned 29 March 2023).

Julian Taylor.

Asher Miller.

f. Related party relationships

The Charity's related party relationships are as follows:

- No donations were received from the trustees during the year.
- Fees received from the children of trustees who attend the school were as follows:
  Samantha Leek - £12,443.

g. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Structure, governance and management (continued)

h. Trustees' indemnities

No indemnities have been given during the year by trustees.

Plans for future periods

The charity plans to the run the school at its current pupil levels. Once all the funding has been raised there will also be a refurbishment of the Early Years Playground.

Funds held as custodian

There are no funds held as custodian trustee.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
A Miller Esq
(Trustee)
Date: 28/11/2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KEREM SCHOOLS

Opinion

We have audited the financial statements of Kerem Schools (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KEREM SCHOOLS (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiring of management around actual and potential litigation and claims.
- Reviewing board meeting minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation with applicable laws and regulations.
- Perofrming audit work over the risk of management ovverride of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to

cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BKL Audit LLP

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Date: 28/11/2023

BKL Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Income from:					
Donations and grants	3	**54,276**	**32**	**54,308**	*51,597*
Income from charitable activities	4	**-**	**2,192,807**	**2,192,807**	*1,834,338*
Income from Investments	5	**-**	**499**	**499**	*510*
Total income		**54,276**	**2,193,338**	**2,247,614**	*1,886,445*
Expenditure on:					
Charitable activities	6	**500**	**2,047,263**	**2,047,763**	*1,960,068*
Total expenditure		**500**	**2,047,263**	**2,047,763**	*1,960,068*
Net movement in funds		**53,776**	**146,075**	**199,851**	*(73,623)*
Reconciliation of funds:					
Total funds brought forward		**3,461**	**654,430**	**657,891**	*731,514*
Net movement in funds		**53,776**	**146,075**	**199,851**	*(73,623)*
Total funds carried forward		**57,237**	**800,505**	**857,742**	*657,891*

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

The notes on pages 16 to 32 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		As restated 2021 £
Fixed assets					
Tangible assets	11		**24,845**		*36,181*
			24,845		*36,181*
Current assets					
Debtors	12	**235,482**		*460,453*	
Cash at bank and in hand		**1,872,274**		*1,290,106*	
		2,107,756		*1,750,559*	
Creditors: amounts falling due within one year	13	**(904,655)**		*(834,889)*	
Net current assets			**1,203,101**		*915,670*
Creditors: amounts falling due after more than one year	14		**(370,204)**		*(293,960)*
Total net assets			**857,742**		*657,891*
Charity funds					
Restricted funds	17		**57,237**		*3,461*
Unrestricted funds	17		**800,505**		*654,430*
Total funds			**857,742**		*657,891*

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
A Miller Esq
(Trustee)

Date: 28/11/2023

The notes on pages 16 to 32 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	*As restated 2021 £*
Cash flows from operating activities		
Net cash used in operating activities	**581,655**	*116,467*
Cash flows from investing activities		
Investment income received	**516**	*510*
Purchase of tangible fixed assets	**-**	*(33,351)*
Net cash provided by/(used in) investing activities	**516**	**(32,841)**
Cash flows from financing activities		
Change in cash and cash equivalents in the year	**582,171**	**83,626**
Cash and cash equivalents at the beginning of the year	**1,290,103**	*1,206,477*
Cash and cash equivalents at the end of the year	**1,872,274**	*1,290,103*

The notes on pages 16 to 32 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

Kerem Schools is a charitable company that registered with the Charity Commission on the 6th August 1997.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Kerem Schools meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over lease term
Equipment & computers	- 20%-30% per annum
Motor vehicles	- 25% per annum on reducing balance
Fixtures and fittings	- Over 7 years

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	54,276	32	**54,308**

3. Income from donations and legacies (continued)

	Restricted funds 2021	*Unrestricted funds 2021*	*Total funds 2021*
	£	*£*	*£*
Donations	*2,372*	*36,956*	*39,328*
Job retention scheme	*-*	*12,269*	*12,269*
	2,372	*49,225*	*51,597*

4. Income from charitable activities

	Unrestricted funds 2022	**Total funds 2022**
	£	**£**
Provision of education	2,192,807	**2,192,807**

The above amount includes £3,213 received in respect of nursery funding from the London Borough of Barnet.

	Unrestricted funds 2021	*Total funds 2021*
	£	*£*
Provision of education	*1,834,338*	*1,834,338*

The above amount includes £2,311 received in respect of nursery funding from the London Borough of Barnet

5. Investment income

	Unrestricted funds 2022	**Total funds 2022**
	£	**£**
Bank interest	499	**499**

5. Investment income (continued)

	Unrestricted funds 2021 £	*Total funds 2021 £*
Bank interest	*510*	*510*

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	**Unrestricted funds 2022 £**	**Total 2022 £**
Provision of education	500	2,047,263	**2,047,763**

	Restricted funds 2021 £	*As restated Unrestricted funds 2021 £*	*As restated Total 2021 £*
Provision of education	*2,448*	*1,957,620*	*1,960,068*

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	**Support costs 2022 £**	**Total funds 2022 £**
Provision of education	2,031,939	15,824	**2,047,763**

7. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2021 £	*As restated Support costs 2021* £	*As restated Total funds 2021* £
Provision of education	*1,947,228*	*12,840*	*1,960,068*

Analysis of direct costs

	Provision of education 2022 £	**Total funds 2022** £
Staff costs	1,431,602	**1,431,602**
Depreciation	11,336	**11,336**
Teaching	201,489	**201,489**
Training	10,144	**10,144**
Catering	136,670	**136,670**
Legal & Professional fees	26,006	**26,006**
Premises	199,458	**199,458**
Events	14,840	**14,840**
First aid	394	**394**
	2,031,939	**2,031,939**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	As restated Provision of education 2021 £	*As restated Total funds 2021 £*
Staff costs	*1,545,490*	*1,545,490*
Depreciation	*12,670*	*12,670*
Teaching	*103,349*	*103,349*
Training	*4,798*	*4,798*
Catering	*81,662*	*81,662*
Legal & Professional fees	*15,008*	*15,008*
Premises	*179,690*	*179,690*
Events	*4,052*	*4,052*
First aid	*509*	*509*
	1,947,228	*1,947,228*

Analysis of support costs

	Provision of education 2022 £	**Total funds 2022 £**
Bank charges	1,406	**1,406**
Miscellaneous	5,830	**5,830**
Telephone	2,238	**2,238**
Insurance	350	**350**
Governance costs	6,000	**6,000**
	15,824	**15,824**

Governance costs are comprised entirely of the audit fee for the year.

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Provision of education 2021 £	*Total funds 2021* £
Bank charges	*993*	*993*
miscellaneous	*2,831*	*2,831*
Telephone	*2,455*	*2,455*
Insurance	*361*	*361*
Governance costs	*6,200*	*6,200*
	12,840	*12,840*

Governance costs were comprised of £6,200 payable to the auditor for the year, £5,400 of which was for the audit itself and £800 of which was for other services rendered.

8. Auditors' remuneration

	2022 £	*2021* £
Fees payable to the Company's auditor for the audit and preparation of the Company's annual accounts	**6,000**	*5,400*

9. Staff costs

	2022 £	*2021* £
Wages and salaries	**1,163,445**	*1,248,836*
Social security costs	**98,806**	*96,480*
Contribution to defined contribution pension schemes	**169,351**	*200,174*
	1,431,602	*1,545,490*

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	*2021* No.
	48	*49*

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	*2021 No.*
In the band £70,001 - £80,000	**1**	*1*

Remuneration of key management personnel:

The remuneration of key management personnel in the year was was £94,162 (2021 : £94,765)

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 August 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

11. Tangible fixed assets

	Long-term leasehold property £	As restated Equipment and computers £	Motor vehicles £	Fixtures and fittings £	As restated Total £
Cost or valuation					
As restated at 1 September 2021	**580,250**	**112,415**	**30,000**	**28,280**	**750,945**
At 31 August 2022	**580,250**	**112,415**	**30,000**	**28,280**	**750,945**
Depreciation					
As restated at 1 September 2021	**580,250**	**85,734**	**20,500**	**28,280**	**714,764**
Charge for the year	**-**	**5,336**	**6,000**	**-**	**11,336**
At 31 August 2022	**580,250**	**91,070**	**26,500**	**28,280**	**726,100**

11. Tangible fixed assets (continued)

	Long-term leasehold property £	As restated Equipment and computers £	Motor vehicles £	Fixtures and fittings £	As restated Total £
Net book value					
At 31 August 2022	**-**	**21,345**	**3,500**	**-**	**24,845**
As restated at 31 August 2021	*-*	*26,681*	*9,500*	*-*	*36,181*

12. Debtors

	2022 £	*As restated 2021 £*
Due within one year		
Debtors and payments in advance	**205,227**	*423,912*
Prepayments	**30,255**	*36,541*
	235,482	*460,453*

13. Creditors: Amounts falling due within one year

	2022 £	*2021 £*
Deposits	**32,143**	*35,093*
Other taxation and social security	**21,479**	*22,474*
Fees for next year	**728,902**	*694,358*
Accruals and other creditors	**122,131**	*82,964*
	904,655	*834,889*

14. Creditors: Amounts falling due after more than one year

	2022 £	*2021 £*
Deposits	**370,204**	*293,960*

15. Retired benefit schemes

Defined contribution schemes
The charily operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £169,351 (2021 - £200,174)).

The charity has 2 pension schemes, Teachers Pension Scheme (TPS) for teachers and Nest for other staff.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate

16. Prior year adjustments

In the prior period a capital expense of £33,351 was incorrectly categorised as a prepayment. This error has been reversed and "as restated" has been included above the affected columns. Depreciation charges have also been included for this asset.

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds - all funds	**654,430**	**2,193,338**	**(2,047,263)**	**800,505**
Restricted funds				
Sponsored reading	**1,163**	**-**	**-**	**1,163**
STP grant	**798**	**-**	**-**	**798**
Bikes	**1,000**	**-**	**-**	**1,000**
Staff tea	**500**	**-**	**(500)**	**-**
School equipment	**-**	**468**	**-**	**468**
Big	**-**	**53,808**	**-**	**53,808**
	3,461	**54,276**	**(500)**	**57,237**
Total of funds	**657,891**	**2,247,614**	**(2,047,763)**	**857,742**

STP Grant - This fund is used for a school travel plan which encourages the children to walk to school.

Bikes - This is a fund used to buy balance bikes for the Early Years Unit.

Staff Tea - This fund is used for staff refreshments.

School equipment - This fund is used for the purchase of school equipment.

Big grant - This fund is used for the development of a new playground.

Sponsored readings - This fund is used for sponsored readings.

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	*Income £*	*As restated Expenditure £*	*Balance at 31 August 2021 £*
Unrestricted funds				
General Funds - all funds	*728,231*	*1,884,074*	*(1,957,875)*	*654,430*
Restricted funds				
Sponsored reading	*1,485*	*1,872*	*(2,194)*	*1,163*
STP grant	*798*	-	-	*798*
Bikes	*1,000*	-	-	*1,000*
Staff tea	*500*	-	-	*500*
School equipment	-	-	-	-
Big	-	-	-	-
	3,783	*1,872*	*(2,194)*	*3,461*
Total of funds	*732,014*	*1,885,946*	*(1,960,069)*	*657,891*

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	**Income £**	**Expenditure £**	**Balance at 31 August 2022 £**
General funds	**654,430**	**2,193,338**	**(2,047,263)**	**800,505**
Restricted funds	**3,461**	**54,276**	**(500)**	**57,237**
	657,891	**2,247,614**	**(2,047,763)**	**857,742**

18. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2019 £	*Income* £	*As restated Expenditure* £	*Balance at 31 August 2021* £
General funds	*728,231*	*1,884,074*	*(1,957,875)*	*654,430*
Restricted funds	*3,783*	*1,872*	*(2,194)*	*3,461*
	732,014	*1,885,946*	*(1,960,069)*	*657,891*

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	**Unrestricted funds 2022** £	**Total funds 2022** £
Tangible fixed assets	-	24,845	**24,845**
Current assets	57,237	2,050,519	**2,107,756**
Creditors due within one year	-	(904,655)	**(904,655)**
Creditors due in more than one year	-	(370,204)	**(370,204)**
Total	57,237	800,505	**857,742**

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	*As restated unrestricted funds 2021* £	*Total funds 2021* £
Tangible fixed assets	-	*36,181*	*36,181*
Current assets	*3,461*	*1,747,098*	*1,750,559*
Creditors due within one year	-	*(834,889)*	*(834,889)*
Creditors due in more than one year	-	*(293,960)*	*(293,960)*
Total	*3,461*	*654,430*	*657,891*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	*As restated 2021 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**199,851**	*(73,623)*
Adjustments for:		
	(499)	*(510)*
Investment income recognised in statement of financial activities	**6,000**	*6,000*
Depreciation and impairment of tangible fixed assets	**5,336**	*6,670*
Decrease in debtors	**224,971**	*12,095*
Increase in creditors	**143,510**	*165,835*
Other non cash movement	**2,486**	-
Net cash provided by operating activities	**581,655**	*116,467*

21. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	**1,872,274**	*1,290,103*
Total cash and cash equivalents	**1,872,274**	*1,290,103*

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	**1,290,106**	**582,168**	**1,872,274**
	1,290,106	**582,168**	**1,872,274**

23. Related party transactions

During the year, the charity received fee income from the trustees totalling £7,940 (2021 - £11,200).

KEREM SCHOOLS

England & Wales - Charity number 1063815

Accounts

Charity registration number 1063815

Company registration number 3391872 (England and Wales)

KEREM SCHOOLS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

KEREM SCHOOLS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Taylor Esq A Miller Esq D Lichtenstein Esq S. Leek
Secretary	A Miller Esq
Charity number	1063815
Company number	3391872
Principal address	Norrice Lea London N2 0RE
Registered office	Norrice Lea London N2 0RE
Auditor	BKL Audit LLP 35 Ballards Lane London N3 1XW
Bankers	NatWest Bank plc 1175 Finchley Road London NW11 0BE Santander Bridle Road Bootte Merseyside L30 4GB

KEREM SCHOOLS

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KEREM SCHOOLS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

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 Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The company was founded in June 1997 to take over the operation of a kindergarten (Kerem House) and a primary school known as "Kerem Schools", an orthodox Jewish day school.
It commenced its operation on 1 September 1997 when it acquired the assets and liabilities of the Trust which had previously operated the Kerem Schools.

The principal activity of the company is providing education at primary level.

The promotion and development of a balanced orthodox education for Jewish children is the keystone of the charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The net expenditure or net movements of funds of the charity was £(66,953) (2020 - £(224,283)), details of which are given in the attached financial statements.

Financial review

The accounts of the company are attached. The school continues to operate well with mostly full classes and expenses well controlled. As with most independent schools, there have been some nationwide issues that have had to be addressed which have caused defecits in the last few years. The school ensured that there were sufficient reserves to cover these issues and is now forecasting surpluses to replenish the reserves.

The governors are responsible for the management of risks faced by the school. The governors routinely consider any perceived risks faced by the school and are assisted in this by the head and other key members of the schools senior management team. Key controls used to identify and control risks during the year include:

- Formal agenda items for governors committee meetings
- Established organisational structure and lines of reporting
- Maintaining appropriate insurance
- Regular review of budgets against actual performance
- Comprehensive strategic planning, budgeting and management accounting

Throughout the process the trustees are satisfied that major risks are identified.

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.

The reserves policy of the school is driven by the need to ensure the ability to continue providing education to the pupils. Reports following recent regulatory inspections have been excellent. The trustees continue to be fortified in the knowledge that Kerem Schools offer high quality education in a stimulating modern environment.

Structure, governance and management
The charity is a company limited by guarantee, Charity Registration number 1063815.

The school was run during the year by an excellent team of teachers led by Naomi Simon.

The company and its school are administered by its board of trustees and various sub-committees including the board of governors. The major risks to which the charity is exposed have been reviewed by the trustees and systems are in place to minimise these risks.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
J Taylor Esq
D Wolfson Esq (Resigned 23 December 2020)
A Miller Esq
D Lichtenstein Esq
S. Leek

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 trustees meet on a regular basis. They work with subcommittees which are set up to address and advise on specific issues. All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

Auditor
During the year, FSPG acted as the auditor to the Charity until 31 March 2022. On 31 March 2022, FSPG transferred its audit business to a new LLP, BKL Audit LLP. The directors consented to treating the appointment of FSPG as extending to BKL Audit LLP with effect from 1 April 2022. Under section 487 (2) of the Companies Act 2006, BKL Audit LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members, or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Disclosure of information to auditor
Each of the trustees 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 auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

A Miller Esq
Trustee
Dated: 29 June 2022

KEREM SCHOOLS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of Kerem Schools for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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.

KEREM SCHOOLS

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF KEREM SCHOOLS

Opinion

We have audited the financial statements of Kerem Schools (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charty's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with directors and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud.

We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
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 auditors' 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Tropp (Senior Statutory Auditor)
for and on behalf of BKL Audit LLP

Chartered Accountants
Statutory Auditor

29 June 2022

35 Ballards Lane
London
N3 1XW

KEREM SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and grants	3	49,225	2,372	51,597	177,425	56,842	234,267
Income from charitable activities	4	1,834,339	-	1,834,339	1,804,215	-	1,804,215
Income from investments	5	510	-	510	3,521	-	3,521
Total income		1,884,074	2,372	1,886,446	1,985,161	56,842	2,042,003
Expenditure on:							
Charitable activities	6	1,951,205	2,194	1,953,399	2,203,882	62,404	2,266,286
Net (expenditure)/income for the year/ Net movement in funds		(67,131)	178	(66,953)	(218,721)	(5,562)	(224,283)
Fund balances at 1 September 2020		728,231	3,283	731,514	946,952	8,845	955,797
Fund balances at 31 August 2021		661,100	3,461	664,561	728,231	3,283	731,514

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

KEREM SCHOOLS

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		9,500		15,500
Current assets					
Debtors	10	493,804		472,548	
Cash at bank and in hand		1,290,103		1,206,477	
		1,783,907		1,679,025	
Creditors: amounts falling due within one year	11	(834,888)		(669,696)	
Net current assets			949,019		1,009,329
Total assets less current liabilities			958,519		1,024,829
Creditors: amounts falling due after more than one year	12		(293,958)		(293,315)
Net assets			664,561		731,514
Income funds					
Restricted funds	14		3,461		3,283
Unrestricted funds			661,100		728,231
			664,561		731,514

The financial statements were approved by the Trustees on 29 June 2022

A Miller Esq
Trustee

Company registration number 3391872

KEREM SCHOOLS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		83,116		(309,135)
Investing activities					
Investment income received		510		3,521	
Net cash generated from investing activities			510		3,521
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			83,626		(305,614)
Cash and cash equivalents at beginning of year			1,206,477		1,512,091
Cash and cash equivalents at end of year			1,290,103		1,206,477

1 Accounting policies

Charity Information

Kerem Schools is a private company limited by guarantee incorporated in England and Wales. The registered office is Norrice Lea, London, N2 0RE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Associaiton, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Fees receivable less any allowances, scholarships and bursaries granted against by the school against those fees are accounted for in the year in which the service is provided.

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Government grant income represents the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). This income is accounted for in the year in which the associated payments are made to furloughed staff.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are accounted for an accrual basis and included attributable VAT which cannot be recovered. All costs have been directly attributable to one of the functional categories of the resources expended in the statement of financial statements.

Governance costs relate to compliance with constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property and improvements	over lease term
Equipment & computers	20% - 30% per annum straight line basis
Furniture & fittings	over 7 years
Motor vehicles	25% per annum on reducing basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Debtors

School fee and other debtors are recognised at the settlement amount due after any trade discounts offered.
Prepayments are valued at the amount prepaid net of any trade discounts due.

1 Accounting policies **(Continued)**

1.13 Creditors and provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting estimates and judgements

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

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	36,956	2,372	39,328	18,682	56,842	75,524
Job retention scheme grant	12,269	-	12,269	158,743	-	158,743
	49,225	2,372	51,597	177,425	56,842	234,267

4 Income from charitable activities

	School fees and other income (all unrestricted) 2021 £	School fees and other income (all unrestricted) 2020 £
School fees and other income	1,834,339	1,804,215

5 Income from investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	510	3,521

6 Charitable activities

	2021	2020
	£	£
Staff costs	1,545,489	1,687,664
Depreciation	6,000	6,000
Teaching	103,352	167,572
Training	4,798	13,915
Catering	81,661	92,992
Legal & Professional fees	15,008	13,466
Premises	179,691	265,998
General administrative expenses	-	500
	1,935,999	2,248,107
Share of support costs (see below)	11,200	11,979
Share of governance costs (see below)	6,200	6,200
	1,953,399	2,266,286
For the year ended 31 August 2021		
Analysis by fund		
Unrestricted funds	1,951,205	
Restricted funds	2,194	
	1,953,399	
For the year ended 31 August 2020		
Analysis by fund		
Unrestricted funds		2,203,882
Restricted funds		62,404
		2,266,286

Support costs includes administrative costs such as telephone, bank charges and other similar costs.

Governance costs includes payments to the auditors of £5,400 (2020 - £5,400) for audit fees and £800 of other costs (2020 - £800).

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
School	49	50

Employment costs	2021 £	2020 £
Wages and salaries	1,248,835	1,369,140
Social security costs	96,480	110,908
Other pension costs	200,174	207,616
	1,545,489	1,687,664

Included in wages and salaries is redundancy payment of £15,624 (2020 - £Nil).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£70,001 - £80,000	1	1

Contributions totalling £17,960 (2020 - £17,479) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

Of the employees whose emoluments exceed £60,000, 1 (2020 - 1) have retirement benefits accruing

9 Tangible fixed assets

	Leasehold property and improvements	Equipment & computers	Furniture & fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	580,250	79,064	28,280	30,000	717,594
At 31 August 2021	580,250	79,064	28,280	30,000	717,594
Depreciation and impairment					
At 1 September 2020	580,250	79,064	28,280	14,500	702,094
Depreciation charged in the year	-	-	-	6,000	6,000
At 31 August 2021	580,250	79,064	28,280	20,500	708,094
Carrying amount					
At 31 August 2021	-	-	-	9,500	9,500
At 31 August 2020	-	-	-	15,500	15,500

10 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Debtors and payments in advance	423,912	459,216
Prepayments	69,892	13,332
	493,804	472,548

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	22,474	28,366
Deposits	35,093	64,342
Fees for next year	694,358	553,522
Accruals and other creditors	82,963	23,466
	834,888	669,696

12 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Deposits	293,958	293,315

13 Retirement benefit schemes

Defined contribution schemes
The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £200,174 (2020 - £207,616).

The charity has 2 pension schemes, Teachers Pension Scheme (TPS) for teachers and Nest for other staff.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations held on trust for specific purposes:

		Movement in funds			Movement in funds		
	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£	£
Donations raised from 'An Evening of Wishes'	8,845	-	(8,845)	-	-	-	-
Playground area	-	42,000	(42,000)	-	-	-	-
Jewish interactive programme	-	10,000	(10,000)	-	-	-	-
Sponsored reading	-	2,142	(657)	1,485	1,872	(2,194)	1,163
STP Grant	-	1,200	(402)	798	-	-	798
Bikes	-	1,000	-	1,000	-	-	1,000
Staff tea	-	500	(500)	-	500	-	500
	8,845	56,842	(62,404)	3,283	2,372	(2,194)	3,461

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 August 2021 are represented by:						
Tangible assets	9,500	-	9,500	15,500	-	15,500
Current assets/ (liabilities)	945,558	3,461	949,019	1,006,046	3,283	1,009,329
Long term liabilities	(293,958)	-	(293,958)	(293,315)	-	(293,315)
	661,100	3,461	664,561	728,231	3,283	731,514

16 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	94,795	91,291

Transactions with related parties
During the year the charity entered into the following transactions with related parties:

The aggregate fees received from the trustees was £11,200 (2020 - £19,280).
The aggregate donations received from the trustees during the year was £500 (2020 - £Nil) .

17	**Cash generated from operations**	**2021**	**2020**
		£	**£**
	Deficit for the year	(66,953)	(224,283)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(510)	(3,521)
	Depreciation and impairment of tangible fixed assets	6,000	6,000
	Movements in working capital:		
	(Increase)/decrease in debtors	(21,256)	117,714
	Increase/(decrease) in creditors	165,835	(205,045)
	Cash generated from/(absorbed by) operations	83,116	(309,135)

18 Analysis of changes in net funds

The charity had no debt during the year.

KEREM SCHOOLS

England & Wales - Charity number 1063815

Accounts

Charity Registration No. 1063815

Company Registration No. 3391872 (England and Wales)

KEREM SCHOOLS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

KEREM SCHOOLS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Taylor Esq A Miller Esq D Lichtenstein Esq S. Leek	(Appointed 11 September 2019)
Secretary	J Sagal	
Charity number	1063815	
Company number	3391872	
Principal address	Norrice Lea London N2 0RE	
Registered office	Norrice Lea London N2 0RE	
Auditor	FSPG 21 Bedford Square London WC1B 3HH	
Bankers	NatWest Bank plc 1175 Finchley Road London NW11 0BE	
	Santander Bridle Road Bootte Merseyside L30 4GB	

KEREM SCHOOLS

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KEREM SCHOOLS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

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 Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The company was founded in June 1997 to take over the operation of a kindergarten (Kerem House) and a primary school known as "Kerem Schools", an orthodox Jewish day school.
It commenced its operation on 1 September 1997 when it acquired the assets and liabilities of the Trust which had previously operated the Kerem Schools.

The principal activity of the company is providing education at primary level.

The promotion and development of a balanced orthodox education for Jewish children is the keystone of the charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The net income/(expenditure) or net movements of funds of the charity was £(224,283) (2019 - £(83,811)), details of which are given in the attached financial statements.

Financial review

The accounts of the company are attached. The school continues to operate well with mostly full classes and expenses under control.

The governors are responsible for the management of risks faced by the school. The governors routinely consider any perceived risks faced by the school and are assisted in this by the head and other key members of the schools senior management team. Key controls used to identify and control risks during the year include:

- Formal agenda items for governors committee meetings
- Established organisational structure and lines of reporting
- Maintaining appropriate insurance
- Regular review of budgets against actual performance
- Comprehensive strategic planning, budgeting and management accounting

Throughout the process the trustees are satisfied that major risks are identified.

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.

The reserves policy of the school is driven by the need to ensure the ability to continue providing education to the pupils. Reports following recent regulatory inspections have been excellent. The trustees continue to be fortified in the knowledge that Kerem Schools offer high quality education in a stimulating modern environment.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management
The charity is a company limited by guarantee, Charity Registration number 1063815.

The school was run during the year by an excellent team of teachers led by Naomi Simon.

The company and its school are administered by its board of trustees and various sub-committees including the board of governors. The major risks to which the charity is exposed have been reviewed by the trustees and systems are in place to minimise these risks.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Taylor Esq	
D Wolfson Esq	(Resigned 23 December 2020)
A Miller Esq	
D Lichtenstein Esq	
S. Leek	(Appointed 11 September 2019)

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 trustees meet on a regular basis. They work with subcommittees which are set up to address and advise on specific issues. All new trustees are subject to a recruitment and induction process and are selected with a view to ensuring that the board has an appropriate balance of experience relevant to Kerem Schools strategic and operational requirements.

Auditor
The auditor, FSPG, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor
Each of the trustees 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 auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

S. Leek
Trustee
Dated: 20 May 2021

KEREM SCHOOLS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees, who are also the directors of Kerem Schools for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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.

KEREM SCHOOLS

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KEREM SCHOOLS

Opinion

We have audited the financial statements of Kerem Schools (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF KEREM SCHOOLS

Use of our report

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 auditors' 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Tropp (Senior Statutory Auditor)
for and on behalf of FSPG

20 May 2021

Chartered Accountants
Statutory Auditor

21 Bedford Square
London
WC1B 3HH

KEREM SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and grants	3	177,425	56,842	234,267	4,895	-	4,895
Income from charitable activities	4	1,804,215	-	1,804,215	1,909,361	-	1,909,361
Income from investments	5	3,521	-	3,521	4,633	-	4,633
Total income		1,985,161	56,842	2,042,003	1,918,889	-	1,918,889
Expenditure on:							
Charitable activities	6	2,203,882	62,404	2,266,286	2,002,700	-	2,002,700
Net expenditure for the year/ Net movement in funds		(218,721)	(5,562)	(224,283)	(83,811)	-	(83,811)
Fund balances at 1 September 2019		946,952	8,845	955,797	1,030,763	8,845	1,039,608
Fund balances at 31 August 2020		728,231	3,283	731,514	946,952	8,845	955,797

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

KEREM SCHOOLS

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		15,500		21,500
Current assets					
Debtors	10	472,548		590,262	
Cash at bank and in hand		1,206,477		1,512,091	
		1,679,025		2,102,353	
Creditors: amounts falling due within one year	11	(669,696)		(903,671)	
Net current assets			1,009,329		1,198,682
Total assets less current liabilities			1,024,829		1,220,182
Creditors: amounts falling due after more than one year	12		(293,315)		(264,385)
Net assets			731,514		955,797
Income funds					
Restricted funds	13		3,283		8,845
Unrestricted funds			728,231		946,952
			731,514		955,797

The financial statements were approved by the Trustees on 20 May 2021

S. Leek
Trustee

Company Registration No. 3391872

KEREM SCHOOLS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash absorbed by operations	16		(309,135)		(69,515)
Investing activities					
Interest received		3,521		4,633	
Net cash generated from investing activities			3,521		4,633
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(305,614)		(64,882)
Cash and cash equivalents at beginning of year			1,512,091		1,576,973
Cash and cash equivalents at end of year			1,206,477		1,512,091

1 Accounting policies

Charity information

Kerem Schools is a private company limited by guarantee incorporated in England and Wales. The registered office is Norrice Lea, London, N2 0RE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Associaiton, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Resources expended are accounted for an accrual basis and included attributable VAT which cannot be recovered. All costs have been directly attributable to one of the functional categories of the resources expended in the statement of financial statements.

Governance costs relate to compliance with constitutional and statutory requirements of the charity.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property and improvments	over lease term
Equipment & computers	20% - 30% per annum straight line basis
Furniture & fittings	over 7 years
Motor vehicles	25% per annum on reducing basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2020	**2020**	**2020**	2019
	£	**£**	**£**	£
Donations and gifts	18,682	56,842	75,524	4,895
Job retention scheme grant	158,743	-	158,743	-
	177,425	56,842	234,267	4,895

4 Income from charitable activities

	School fees and other income (all unrestricted)	School fees and other income (all unrestricted)
	2020	2019
	£	£
School fees and other income	1,804,215	1,909,361

5 Income from investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	3,521	4,633

6 Charitable activities

	2020 £	2019 £
Staff costs	1,687,664	1,523,712
Depreciation	6,000	6,000
Teaching	167,572	96,787
Training	13,915	16,861
Catering	92,992	136,763
Legal & Professional fees	13,466	17,930
Premises	265,998	178,570
General administrative expenses	12,479	22,277
Governance	6,200	3,800
	2,266,286	2,002,700
	2,266,286	2,002,700
For the year ended 31 August 2020		
Analysis by fund		
Unrestricted funds	2,203,882	
Restricted funds	62,404	
	2,266,286	
For the year ended 31 August 2019		
Analysis by fund		
Unrestricted funds		2,002,700
		2,002,700

Governance costs includes payments to the auditors of £5,400 (2019 - £3,000) for audit fees

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
School	50	48

Employment costs	2020 £	2019 £
Wages and salaries	1,369,140	1,240,774
Social security costs	110,908	128,761
Other pension costs	207,616	154,177
	1,687,664	1,523,712

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	-	1
£70,001 - £90,000	1	-
£150,001 - £160,000	-	1

Contributions totalling £8,986 (2019 - £24,256) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

Of the employees whose emoluments exceed £60,000, 1 (2019 - 2) have retirement benefits accruing under defined contribution pension schemes.

9 Tangible fixed assets

	Leasehold property and improvments	Equipment & computers	Furniture & fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	580,249	79,066	28,280	30,000	717,595
At 31 August 2020	580,249	79,066	28,280	30,000	717,595
Depreciation and impairment					
At 1 September 2019	580,249	79,066	28,280	8,500	696,095
Depreciation charged in the year	-	-	-	6,000	6,000
At 31 August 2020	580,249	79,066	28,280	14,500	702,095
Carrying amount					
At 31 August 2020	-	-	-	15,500	15,500
At 31 August 2019	-	-	-	21,500	21,500

10 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Debtors and payments in advance	459,216	576,930
Prepayments	13,332	13,332
	472,548	590,262

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	28,366	42,759
Deposits	58,625	77,725
Fees for next year	542,758	690,459
Accruals and other creditors	39,947	92,728
	669,696	903,671

12 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Deposits	293,315	264,385

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations held on trust for specific purposes:

	Movement in funds		Movement in funds			
	Balance at 1 September 2018	Incoming resources	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 31 August 2020
	£	£	£	£	£	£
Donations raised from 'An Evening of Wishes'	8,845	-	8,845	-	(8,845)	-
Playground area	-	-	-	42,000	(42,000)	-
Jewish interactive programme	-	-	-	10,000	(10,000)	-
Sponsored reading	-	-	-	2,142	(657)	1,485
STP Grant	-	-	-	1,200	(402)	798
Bikes	-	-	-	1,000	-	1,000
Staff tea	-	-	-	500	(500)	-
	8,845	-	8,845	56,842	(62,404)	3,283

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 August 2020 are represented by:						
Tangible assets	15,500	-	15,500	21,500	-	21,500
Current assets/ (liabilities)	1,006,046	3,283	1,009,329	1,189,837	8,845	1,198,682
Long term liabilities	(293,315)	-	(293,315)	(264,385)	-	(264,385)
	728,231	3,283	731,514	946,952	8,845	955,797

15 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	91,291	167,451

Transactions with related parties
During the year the charity entered into the following transactions with related parties:

The aggregate fees received from the trustees was £19,280 (2019 - £19,650).
The aggregate donations received from the trustees during the year was £Nil (2019 - £1,200) .

16 Cash generated from operations

	2020	2019
	£	£
Deficit for the year	(224,283)	(83,811)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,521)	(4,633)
Depreciation and impairment of tangible fixed assets	6,000	6,000
Movements in working capital:		
Decrease/(increase) in debtors	117,714	(119,306)
(Decrease)/increase in creditors	(205,045)	132,235
Cash absorbed by operations	(309,135)	(69,515)

17 Analysis of changes in net funds
The charity had no debt during the year.