

**Charity Registration No. 1120748**

**Company Registration No. 06263604 (England and Wales)**

**YESHIVAS LEV SIMCHA LTD**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

# YESHIVAS LEV SIMCHA LTD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr Y Rigel Mr J Goldman
<b>Charity number</b>	1120748
<b>Company number</b>	06263604
<b>Registered office</b>	17 Margaret Road London N16 6UX
<b>Independent examiner</b>	Mr J Silver FCCA Precision Ltd 32 Castlewood Road N16 6DW

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# YESHIVAS LEV SIMCHA LTD

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# YESHIVAS LEV SIMCHA LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 objects for which the company was established are the advancement of Orthodox Jewish religious education generally and in particular but not exclusively to maintain administer and manage the Talmudical college known as Yeshivas Lev Simcha.

The Trustees confirm their compliance with the duty to have due regard to the Public Benefit guidance published by the Charity Commission when reviewing the Charity's aims and objectives in planning future activities.

### Achievements and performance

During the year the charity raised substantial funds, and has applied all of the funds towards the activities in running the college and supporting charities whose objectives are in line with the charity's objectives.

### Financial review

In the year under review the charity generated income of £831,473 (2019: £665,660) and incurred expenses of £772,296 (2019: £659,037) resulting in net incoming resources of £59,177.

The charity's statement of financial activities shows total free reserves of £56,300.

The trustees are satisfied with the results for the year.

The trustees do not seek to maintain reserves, other than to ensure that they can continue the activities of the charity.

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.

There are no current plans to change the activities or modus operandi in the foreseeable future.

### Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is constituted as a limited company, and was formed on 30 May 2007. The company is managed and controlled by the directors who are the trustees, and who meet regularly. The company commenced its activity on 1 September 2007.

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:

Mr Y Rigel

Mr J Goldman

It is not the intention of the trustees of the charity to appoint any new trustees. Should the situation change in the future, the trustees will apply suitable recruitment induction and training procedures.

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' report was approved by the Board of Trustees.

*Joseph Rigel*

.....  
**Mr Y Rigel**

Trustee

Dated: ..... **28 May 2021**

# YESHIVAS LEV SIMCHA LTD

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF YESHIVAS LEV SIMCHA LTD

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I report to the trustees on my examination of the financial statements of Yeshivas Lev Simcha Ltd (the charity) for the year ended 31 August 2020.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

*J Silver*

J Silver FCCA  
Precision Ltd  
32 Castlewood Road  
N16 6DW

Dated: **May 28, 2021**

# YESHIVAS LEV SIMCHA LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Total 2019 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	3	831,452	664,357
Investments	4	21	1,303
<b>Total income</b>		<u>831,473</u>	<u>665,660</u>
<b><u>Expenditure on:</u></b>			
Raising funds	5	<u>2,040</u>	<u>13,240</u>
Charitable activities	6	<u>770,256</u>	<u>645,797</u>
<b>Total resources expended</b>		<u>772,296</u>	<u>659,037</u>
<b>Net income for the year/ Net movement in funds</b>		59,177	6,623
Fund balances at 1 September 2019		<u>(2,877)</u>	<u>(9,500)</u>
<b>Fund balances at 31 August 2020</b>		<u><u>56,300</u></u>	<u><u>(2,877)</u></u>

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.

# YESHIVAS LEV SIMCHA LTD

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	10		35,108		15,731
<b>Current assets</b>					
Debtors	11	2,537		28,787	
Cash at bank and in hand		144,240		22,748	
		<u>146,777</u>		<u>51,535</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(77,252)</u>		<u>(70,143)</u>	
Net current assets/(liabilities)			69,525		(18,608)
<b>Total assets less current liabilities</b>			104,633		(2,877)
<b>Creditors: amounts falling due after more than one year</b>	14		(48,333)		-
<b>Net assets/(liabilities)</b>			<u>56,300</u>		<u>(2,877)</u>
<b>Income funds</b>					
Unrestricted funds			56,300		(2,877)
			<u>56,300</u>		<u>(2,877)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28 May 2021

Joseph Rigel  
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Mr Y Rigel  
Trustee

Company Registration No. 06263604

# YESHIVAS LEV SIMCHA LTD

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16		99,625		17,380
<b>Investing activities</b>					
Purchase of tangible fixed assets		(28,154)		(7,994)	
Interest received		21		1,303	
<b>Net cash used in investing activities</b>			(28,133)		(6,691)
<b>Financing activities</b>					
Proceeds of new bank loans		50,000		-	
<b>Net cash generated from/(used in) financing activities</b>			50,000		-
<b>Net increase in cash and cash equivalents</b>			121,492		10,689
Cash and cash equivalents at beginning of year			22,748		12,059
<b>Cash and cash equivalents at end of year</b>			144,240		22,748



# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **1 Accounting policies**

#### **Charity information**

Yeshivas Lev Simcha Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 17 Margaret Road, London, N16 6UX.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, 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. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis as the trustees are of the opinion that the charity will continue for the foreseeable future based upon the continued financial support from the community.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 Incoming resources**

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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

#### **1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 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:

Plant and equipment	20 % Reducing Balance Method
Computers	20 % Reducing Balance Method

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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.8 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.

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

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

#### **1.9 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.

#### **1.10 Retirement benefits**

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

### 2 Critical accounting estimates and judgements

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

There have been no material adjustments based on estimations and assumptions during the financial year.

### 3 Donations and legacies

	Unrestricted funds	Total
	2020 £	2019 £
Donations and gifts	754,712	664,357
Government grants	76,740	-
	<u>831,452</u>	<u>664,357</u>

Government grants relate to amounts received under the Coronavirus Job Retention Scheme and the loan interest paid by the government under the Bounce Back Loan Scheme.

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 4 Investments

	Unrestricted funds	Total
	2020 £	2019 £
Rental income	-	1,300
Interest receivable	21	3
	<u>21</u>	<u>1,303</u>

### 5 Raising funds

	Unrestricted funds	Total
	2020 £	2019 £
<u>Fundraising and publicity</u>		
Other fundraising costs	2,040	13,240
	<u>2,040</u>	<u>13,240</u>

### 6 Charitable activities

	College Expenditure 2020 £	Charitable Expenditure 2020 £	Total 2020 £	College Expenditure 2019 £
Staff costs	245,145	-	245,145	246,486
Depreciation and impairment	8,777	-	8,777	3,933
College running costs	385,430	-	385,430	337,396
	<u>639,352</u>	<u>-</u>	<u>639,352</u>	<u>587,815</u>
Grant funding of activities (see note )	-	121,771	121,771	52,723
Share of governance costs (see note 7)	9,133	-	9,133	5,259
	<u>648,485</u>	<u>121,771</u>	<u>770,256</u>	<u>645,797</u>

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 7 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Accountancy	-	1,800	1,800	1,800
Legal and professional	-	6,091	6,091	1,750
Bank Charges	-	1,242	1,242	1,709
	-	9,133	9,133	5,259
Analysed between Charitable activities	-	9,133	9,133	5,259

### 8 Trustees

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

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	30	33
<b>Employment costs</b>	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	242,341	242,259
Social security costs	2,369	4,227
Other pension costs	435	-
	245,145	246,486

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 10 Tangible fixed assets

	Plant and equipment £	Computers £	Total £
<b>Cost</b>			
At 1 September 2019	7,429	15,587	23,016
Additions	27,579	575	28,154
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2020	35,008	16,162	51,170
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>			
At 1 September 2019	1,826	5,459	7,285
Depreciation charged in the year	6,636	2,141	8,777
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2020	8,462	7,600	16,062
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 August 2020	26,546	8,562	35,108
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2019	5,603	10,128	15,731
	<u>          </u>	<u>          </u>	<u>          </u>

### 11 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	2,537	28,787
	<u>          </u>	<u>          </u>

### 12 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
	<u>          </u>	<u>          </u>
Payable within one year	1,667	-
Payable after one year	48,333	-
	<u>          </u>	<u>          </u>

The long-term loan relates to a loan received under the government backed Bounce back loan scheme.

# YESHIVAS LEV SIMCHA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 13 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	12	1,667	-
Other taxation and social security		5,082	1,180
Trade creditors		6,936	42,825
Other creditors		34,685	-
Accruals and deferred income		28,882	26,138
		<u>77,252</u>	<u>70,143</u>

### 14 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	12	<u>48,333</u>	<u>-</u>

### 15 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

### 16 Cash generated from operations

	2020 £	2019 £
Surplus for the year	59,177	6,623
Adjustments for:		
Investment income recognised in statement of financial activities	(21)	(1,303)
Depreciation and impairment of tangible fixed assets	8,777	3,933
Movements in working capital:		
Decrease/(increase) in debtors	26,250	(2,851)
Increase in creditors	5,442	10,978
<b>Cash generated from operations</b>	<u>99,625</u>	<u>17,380</u>

### 17 Analysis of changes in net funds

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	22,748	121,492	144,240
Loans falling due within one year	-	(1,667)	(1,667)
Loans falling due after more than one year	-	(48,333)	(48,333)
	<u>22,748</u>	<u>71,492</u>	<u>94,240</u>