

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 2021

YESHIVAS LEV SIMCHA LTD

LEGAL AND ADMINISTRATIVE INFORMATION

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

YESHIVAS LEV SIMCHA LTD

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YESHIVAS LEV SIMCHA LTD

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 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)" (effective 1 January 2019).

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

The charity continued its charitable activities, and despite it being a challenging year due to Covid-19 managed to raise substantial funds, which it has applied 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 £854,781 (2020: £831,473) and incurred expenses of £941,681 (2020: £772,296) resulting in net outgoing resources of £86,900.

The trustees are satisfied with the results for the year, but intend to further their fund-raising efforts to recover the shortfall in funds in the short term.

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.

Y Rigel

Mr Y Rigel

Trustee

Dated: May 20, 2022

YESHIVAS LEV SIMCHA LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF YESHIVAS LEV SIMCHA LTD

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 2021.

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 20, 2022**

YESHIVAS LEV SIMCHA LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	854,773	831,452
Investments	4	8	21
Total income		<u>854,781</u>	<u>831,473</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>17,304</u>	<u>2,040</u>
Charitable activities	6	<u>924,377</u>	<u>770,256</u>
Total resources expended		<u>941,681</u>	<u>772,296</u>
Net (expenditure)/income for the year/ Net movement in funds		(86,900)	59,177
Fund balances at 1 September 2020		<u>56,300</u>	<u>(2,877)</u>
Fund balances at 31 August 2021		<u><u>(30,600)</u></u>	<u><u>56,300</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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		54,646		35,108
Current assets					
Debtors	11	23,672		2,537	
Cash at bank and in hand		13,606		144,240	
		<u>37,278</u>		<u>146,777</u>	
Creditors: amounts falling due within one year	13	<u>(83,043)</u>		<u>(77,252)</u>	
Net current (liabilities)/assets			(45,765)		69,525
Total assets less current liabilities			8,881		104,633
Creditors: amounts falling due after more than one year	14		(39,481)		(48,333)
Net (liabilities)/assets			<u>(30,600)</u>		<u>56,300</u>
Income funds					
Unrestricted funds			(30,600)		56,300
			<u>(30,600)</u>		<u>56,300</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 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

May 20, 2022

The financial statements were approved by the Trustees on

Y 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 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(96,924)		99,625
Investing activities					
Purchase of tangible fixed assets		(33,199)		(28,154)	
Interest received		8		21	
Net cash used in investing activities			(33,191)		(28,133)
Financing activities					
Proceeds of new bank loans		(519)		50,000	
Net cash (used in)/generated from financing activities			(519)		50,000
Net (decrease)/increase in cash and cash equivalents			(130,634)		121,492
Cash and cash equivalents at beginning of year			144,240		22,748
Cash and cash equivalents at end of year			13,606		144,240

YESHIVAS LEV SIMCHA LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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 notwithstanding the current reserves deficit, 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.

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 2021

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 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 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 2021

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	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	751,158	754,712
Government grants	103,615	76,740
	<u>854,773</u>	<u>831,452</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.

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>8</u>	<u>21</u>

YESHIVAS LEV SIMCHA LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	17,304	2,040
	<u>17,304</u>	<u>2,040</u>

6 Charitable activities

	College Expenditure 2021	Charitable Expenditure 2021	Total 2021	Total 2020
	£	£	£	£
Staff costs	275,239	-	275,239	245,145
Depreciation and impairment	13,661	-	13,661	8,777
College running costs	532,044	-	532,044	385,430
	<u>820,944</u>	<u>-</u>	<u>820,944</u>	<u>639,352</u>
Grant funding of activities (see note)	-	93,419	93,419	121,771
Share of governance costs (see note 7)	10,014	-	10,014	9,133
	<u>830,958</u>	<u>93,419</u>	<u>924,377</u>	<u>770,256</u>

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Accountancy	-	2,880	2,880	-	1,800	1,800
Legal and professional	-	5,952	5,952	-	6,091	6,091
Bank Charges	-	1,182	1,182	-	1,242	1,242
	<u>-</u>	<u>10,014</u>	<u>10,014</u>	<u>-</u>	<u>9,133</u>	<u>9,133</u>
Analysed between Charitable activities	-	10,014	10,014	-	9,133	9,133

YESHIVAS LEV SIMCHA LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	34	30
Employment costs	2021	2020
	£	£
Wages and salaries	271,805	242,341
Social security costs	2,316	2,369
Other pension costs	1,118	435
	275,239	245,145

There were no employees whose annual remuneration was more than £60,000.

10 Tangible fixed assets

	Plant and equipment £	Computers £	Total £
Cost			
At 1 September 2020	35,008	16,162	51,170
Additions	32,004	1,195	33,199
At 31 August 2021	67,012	17,357	84,369
Depreciation and impairment			
At 1 September 2020	8,462	7,600	16,062
Depreciation charged in the year	11,710	1,951	13,661
At 31 August 2021	20,172	9,551	29,723
Carrying amount			
At 31 August 2021	46,840	7,806	54,646
At 31 August 2020	26,546	8,562	35,108

YESHIVAS LEV SIMCHA LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	23,672	2,537
	<u>23,672</u>	<u>2,537</u>

12 Loans and overdrafts

	2021 £	2020 £
Bank loans	49,481	50,000
	<u>49,481</u>	<u>50,000</u>
Payable within one year	10,000	1,667
Payable after one year	39,481	48,333
	<u>39,481</u>	<u>48,333</u>

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

13 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	12	10,000	1,667
Other taxation and social security		192	5,082
Trade creditors		45,105	6,936
Other creditors		-	34,685
Accruals and deferred income		27,746	28,882
		<u>83,043</u>	<u>77,252</u>

14 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	12	39,481	48,333
		<u>39,481</u>	<u>48,333</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

YESHIVAS LEV SIMCHA LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16	Cash generated from operations	2021	2020	
		£	£	
	(Deficit)/surplus for the year	(86,900)	59,177	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(8)	(21)	
	Depreciation and impairment of tangible fixed assets	13,661	8,777	
	Movements in working capital:			
	(Increase)/decrease in debtors	(21,135)	26,250	
	(Decrease)/increase in creditors	(2,542)	5,442	
	Cash (absorbed by)/generated from operations	(96,924)	99,625	
17	Analysis of changes in net debt			
	At 1 September 2020	Cash flows	At 31 August 2021	
	£	£	£	
	Cash at bank and in hand	144,240	(130,634)	13,606
	Loans falling due within one year	(1,667)	(8,333)	(10,000)
	Loans falling due after more than one year	(48,333)	8,852	(39,481)
		<u>94,240</u>	<u>(130,115)</u>	<u>(35,875)</u>