

REGISTERED COMPANY NUMBER: 06807305 (England and Wales)
REGISTERED CHARITY NUMBER: 1133528

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021
FOR
SHAAREI ORAH LIMITED

Joseph Kahan Associates LLP
Chartered Accountants
923 Finchley Road
London
NW11 7PE

SHAAREI ORAH LIMITED
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FOR THE YEAR ENDED 28TH FEBRUARY 2021

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28TH FEBRUARY 2021**

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 28th February 2021. 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

The principal objectives of the charity are:

- (i) the advancement of the orthodox Jewish faith and orthodox Jewish education in particular (but not exclusively) by establishing maintaining and managing a talmudical college for boys of the Orthodox Jewish faith in North West London known as "Shaarei Orah institute",
- (ii) the relief of poverty, sickness and infirmity amongst the public at large for the public benefit, and
- (iii) the advancement of such other objects as are for the benefit of the public and are charitable according to English law.

Public benefit

The trustees continue to operate within the confines of the charity objectives namely the relief of poverty by providing grants in respect of the advancement of Jewish education.

Where the trustees make grants to institutions, they stipulate how these monies should be spent and constantly monitor the effectiveness of the allocation of the resources extended through the grant funding.

The trustees are of the opinion that this latter method of funding combines both objectives of the charity such that through the grants to the institution, students who are partly able or unable to pay their fees, are also assisted.

The charity's trustees have continued to comply with their duty to have due regard to the guidance on public benefit as published by the Charity Commission when exercising their powers or duties.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year, the charity has continued to operate the Shaarei Orah Institute. Shaarei Orah enables Torah observant youth who are seeking recognised and accredited secular qualifications to maintain their Torah learning in a secure environment. The organisation combines a Beis Hamedrash Programme to allow the students to continue to develop their talmudical studies and an Academic Study Center. Full details of the organisations activities can be found on the web site at <http://shaarei-orah.org>.

During the year, funding was provided by voluntary contributions requested from the students and donations from local individuals, businesses and charitable institutions.

The trustees are exceptionally grateful to all of the organisations and individuals for their continued support of the charity. The plans for the coming financial year are very ambitious but the trustees are working hard to ensure that financial supporters are kept informed of the charity's progress and the funds pledged for the year will allow the trustees to carry out their plans.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities shows surplus for the year of £12,223 (2020 : £16,663) and total funds carried forward of £50,023 (2020: £37,800). There were no restricted funds as at the year end.

Principal funding sources

The Charity continues to be dependant on voluntary donations.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28TH FEBRUARY 2021**

FINANCIAL REVIEW

Investment policy

The charity currently has a bank current account which was opened after the period end. These are the only investments to which the charity has title.

Reserves policy

As the charity is relatively new, there is no specific policy with regards reserves. The trustees are working hard and investing a lot of time in ensuring that the charity is able to fund its short term financial obligations. Once the charity has established itself, ideally, the trustees would aim to retain funds equivalent to six months expenditure to take account of any potential short fall in donations in future.

FUTURE PLANS

We are confident that our supporters will provide us with contributions at a level to support the objects of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

The Charity is registered with the Charity Commission.

The Charity is organised so that the Directors and Trustees meet regularly to manage its affairs.

Recruitment and appointment of new trustees

All Directors of the company are also Trustees of the Charity, and there are no other Trustees. All of the Trustees named above served throughout the year. The Board has the power to appoint additional trustees as it considers fit to do so.

Grant and Donation Making Policy

To act according to the charity's objects as detailed about in the "Constitution and Objects of the Charity" section. The trustees meet monthly to discuss the progress of the charity and future plans for the coming months.

The trustees make donations to institutions that are able to provide services to the community that they feel unable or unqualified to provide, but that fall within the objects of the charity. All grants and donations made must be approved by the majority of the trustees, however, in almost all occasions, the trustees will not make a grant or donation if there is an objection by any of the trustees.

Related parties

There were no related parties during the year (2020: None)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28TH FEBRUARY 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

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.

There are two major risks that the trustees have identified, as follows:

(a) Fall in the level of donations

The level of donations is fundamental to the operation of the charity. Given that the charity is relatively new, the consistency of donations is of major importance. The trustees are making every effort to increase the number of donors by seeking support from the local community in an attempt to reduce their current reliance on a few key donors.

The trustees also make every effort to keep in regular contact with their donors so that they are able to see the difference that their contributions are making.

(b) Misappropriation of funds

The control of funds is key to any charity. As mentioned previously, the trustees meet monthly and discuss progress. This ensures that all expenses paid out from the charity are legitimate. The trustees decided that since they are having an independent examination, any misappropriation of funds should also come to light at that time.

Since the banking arrangements ensure that only the trustees have access to the bank account, this also reduces risk of misappropriation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06807305 (England and Wales)

Registered Charity number

1133528

Registered office

923 Finchley Road
London
NW11 7PE

Trustees

M M Frankel Company Director
J Hager Company Director
E Sternlicht Company Director

Independent Examiner

Akiva Kahan FCA
ICAEW
Joseph Kahan Associates LLP
Chartered Accountants
923 Finchley Road
London
NW11 7PE

DECLARATION OF PUBLIC BENEFIT

The Trustees have considered the Charity Commission's general guidance on public benefit in deciding what activities the charity should undertake.

The 'Objectives and Activities' section explains the charity's activities which are open to anyone of the Orthodox Jewish faith.

Approved by order of the board of trustees on 3rd February 2022 and signed on its behalf by:

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28TH FEBRUARY 2021**

E Sternlicht - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
SHAAREI ORAH LIMITED**

Independent examiner's report to the trustees of Shaarei Orah Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28th February 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Akiva Kahan FCA
ICAEW
Joseph Kahan Associates LLP
Chartered Accountants
923 Finchley Road
London
NW11 7PE

3rd February 2022

SHAAREI ORAH LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28TH FEBRUARY 2021

		2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	622,285	334,373
Investment income	3	4	21
Total		622,289	334,394
EXPENDITURE ON			
Charitable activities	4		
Advancement and promotion of jewish education and relief of poverty		25,723	86,660
Grants and donations		583,533	230,231
Governance costs		810	840
Total		610,066	317,731
NET INCOME		12,223	16,663
RECONCILIATION OF FUNDS			
Total funds brought forward		37,800	21,137
TOTAL FUNDS CARRIED FORWARD		50,023	37,800

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
28TH FEBRUARY 2021

		2021 Unrestricted fund £	2020 Total funds £
	Notes		
CURRENT ASSETS			
Cash at bank and in hand		51,673	38,640
CREDITORS			
Amounts falling due within one year	10	(1,650)	(840)
NET CURRENT ASSETS		<u>50,023</u>	<u>37,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		50,023	37,800
NET ASSETS		<u>50,023</u>	<u>37,800</u>
FUNDS	11		
Unrestricted funds		<u>50,023</u>	<u>37,800</u>
TOTAL FUNDS		<u>50,023</u>	<u>37,800</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28th February 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 28th February 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

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 3rd February 2022 and were signed on its behalf by:

E Sternlicht - Trustee

SHAAREI ORAH LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 28TH FEBRUARY 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	13,029	17,431
Net cash provided by operating activities		13,029	17,431
Cash flows from investing activities			
Interest received		4	21
Net cash provided by investing activities		4	21
Change in cash and cash equivalents in the reporting period		13,033	17,452
Cash and cash equivalents at the beginning of the reporting period		38,640	21,188
Cash and cash equivalents at the end of the reporting period		51,673	38,640

The notes form part of these financial statements

SHAAREI ORAH LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 28TH FEBRUARY 2021

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

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	12,223	16,663
Adjustments for:		
Interest received	(4)	(21)
Increase in creditors	810	789
Net cash provided by operations	<u>13,029</u>	<u>17,431</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.20 £	Cash flow £	At 28.2.21 £
Net cash			
Cash at bank and in hand	38,640	13,033	51,673
	<u>38,640</u>	<u>13,033</u>	<u>51,673</u>
Total	<u>38,640</u>	<u>13,033</u>	<u>51,673</u>

The notes form part of these financial statements

SHAAREI ORAH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2021

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2021

1. ACCOUNTING POLICIES - continued**Financial instruments**

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	622,285	334,373
	<u>622,285</u>	<u>334,373</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	4	21
	<u>4</u>	<u>21</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Advancement and promotion of jewish education and relief of poverty	25,723	-	-	25,723
Grants and donations	-	583,533	-	583,533
Governance costs	-	-	810	810
	<u>25,723</u>	<u>583,533</u>	<u>810</u>	<u>610,066</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2021

5. GRANTS PAYABLE

	2021 £	2020 £
Grants and donations	583,533	230,231

The total grants paid to institutions during the year was as follows:

	2021 £	2020 £
Grants to institutions	-	11,000

The total grants paid to individuals during the year was as follows:

	2021 £	2020 £
Grants to individuals	583,533	219,231

6. SUPPORT COSTS

	Governance costs £
Governance costs	810

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28th February 2021 nor for the year ended 29th February 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 28th February 2021 nor for the year ended 29th February 2020.

8. AVERAGE NUMBER OF EMPLOYEES

Average number of employees 2021 - 0 (2020 - 9)

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	334,373
Investment income	21
Total	334,394
EXPENDITURE ON	
Charitable activities	
Advancement and promotion of jewish education and relief of poverty	86,660
Grants and donations	230,231

SHAAREI ORAH LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
Governance costs	840
Total	<u>317,731</u>
NET INCOME	<u>16,663</u>

RECONCILIATION OF FUNDS

Total funds brought forward	21,137
TOTAL FUNDS CARRIED FORWARD	<u><u>37,800</u></u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accrued expenses	<u>1,650</u>	<u>840</u>

11. MOVEMENT IN FUNDS

	At 1.3.20 £	Net movement in funds £	At 28.2.21 £
Unrestricted funds			
General fund	37,800	12,223	50,023
TOTAL FUNDS	<u><u>37,800</u></u>	<u><u>12,223</u></u>	<u><u>50,023</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	622,289	(610,066)	12,223
TOTAL FUNDS	<u><u>622,289</u></u>	<u><u>(610,066)</u></u>	<u><u>12,223</u></u>

SHAAREI ORAH LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2021

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.3.19 £	Net movement in funds £	At 29.2.20 £
Unrestricted funds			
General fund	21,137	16,663	37,800
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>21,137</u>	<u>16,663</u>	<u>37,800</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	334,394	(317,731)	16,663
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>334,394</u>	<u>(317,731)</u>	<u>16,663</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.3.19 £	Net movement in funds £	At 28.2.21 £
Unrestricted funds			
General fund	21,137	28,886	50,023
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>21,137</u>	<u>28,886</u>	<u>50,023</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	956,683	(927,797)	28,886
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>956,683</u>	<u>(927,797)</u>	<u>28,886</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2021

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 28th February 2021.