

Ahavas Yisroel (Gateshead)
Unaudited Financial Statements
30 November 2021

ACCOUNTS & BUSINESS SOLUTIONS LIMITED

Chartered Certified Accountants
158 Cromwell Road
Salford
M6 6DE

Ahavas Yisroel (Gateshead)

Financial Statements

Year ended 30 November 2021

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Ahavas Yisroel (Gateshead)

Trustees' Annual Report

Year ended 30 November 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 November 2021.

Reference and administrative details

Registered charity name	Ahavas Yisroel (Gateshead)
Charity registration number	1144707
Principal office	183 Coatsworth Road Gateshead NE8 1SR

The trustees

M Cohen
I Cohen

Independent examiner	Mr H Davies FCCA 158 Cromwell Road Salford M6 6DE
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Structure, governance and management

Ahavas Yisroel (Gateshead) is constituted under a deed dated 15 July 2011. It is a registered charity number 1144707, registered on the 17 November 2011.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mrs Glickman on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making or mismanagement of the Synagogue. These risks are managed by the trustees researching potential beneficiaries before granting donations as well as having a management team dedicated to the smooth running of the Synagogue.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Ahavas Yisroel (Gateshead)

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

Objectives and activities

The objects of the charity are: (i) For the public benefit promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education. (ii) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and /or charities, or other organisations working to prevent or relieve poverty of financial hardship.(iii) To advance the orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the code of Jewish law (Shulchan Aruch). (iv) Any charitable purpose at the discretion of the trustees for the benefit of the community.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity is funded by donations and rent receivable. The charity gives out grants in line with the above objects.

The application of the funds by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each objects. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Ahavas Yisroel (Gateshead)

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

Achievements and performance

The charity received £26,700 (2020 - £76,762) in donations during the year and £63,921 (2020 - £41,254) was paid out for social and religious activities as well as support cost.

The charity was able to sublet parts of the synagogue building and the amount receivable in the period amounted to £5,290 (2020 - £5,590).

The trustees would like to record their appreciation for all financial support received from benefactors during the course of the year.

The charity has low administration expenses. Other costs were kept low and the governance costs incurred relate to professional fees incurred during the year and sundry office costs.

There were no investments made during the year.

There were grants and donations paid out during the year totalling £32,500 (2020 - £9,303).

There were no material fundraising costs during the year.

There were no related party transactions in the reporting period.

There was an overall net deficit for the year amounting to £31,931 (2020 - Surplus of £41,101).

Financial review

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The trustees wish to keep reserves as low as possible in order to maximise paying out of grants.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve practical for donations which are seasonal.

The reserves stand at £33,853, which is attributable to restricted and non restricted funds.

Ahavas Yisroel (Gateshead)

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

The trustees' annual report was approved on 9 May 2022 and signed on behalf of the board of trustees by:

I Cohen
Trustee

Ahavas Yisroel (Gateshead)

Independent Examiner's Report to the Trustees of Ahavas Yisroel (Gateshead)

Year ended 30 November 2021

I report to the trustees on my examination of the financial statements of Ahavas Yisroel (Gateshead) ('the charity') for the year ended 30 November 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Mr H Davies FCCA
Independent Examiner

158 Cromwell Road
Salford
M6 6DE

Ahavas Yisroel (Gateshead)

Statement of Financial Activities

Year ended 30 November 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	26,700	—	26,700	76,762
Investment income	5	—	—	—	3
Other income	6	5,290	—	5,290	5,590
Total income		<u>31,990</u>	<u>—</u>	<u>31,990</u>	<u>82,355</u>
Expenditure					
Expenditure on charitable activities	7,8	63,921	—	63,921	41,254
Total expenditure		<u>63,921</u>	<u>—</u>	<u>63,921</u>	<u>41,254</u>
Net (expenditure)/income and net movement in funds		<u>(31,931)</u>	<u>—</u>	<u>(31,931)</u>	<u>41,101</u>
Reconciliation of funds					
Total funds brought forward		45,614	20,170	65,784	24,683
Total funds carried forward		<u>13,683</u>	<u>20,170</u>	<u>33,853</u>	<u>65,784</u>

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

The notes on pages 8 to 15 form part of these financial statements.

Ahavas Yisroel (Gateshead)

Statement of Financial Position

30 November 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	14		20,170	20,170
Current assets				
Debtors	15	–		9,170
Cash at bank and in hand		15,128		38,735
		<u>15,128</u>		<u>47,905</u>
Creditors: amounts falling due within one year	16	<u>1,445</u>		<u>2,291</u>
Net current assets			<u>13,683</u>	<u>45,614</u>
Total assets less current liabilities			<u>33,853</u>	<u>65,784</u>
Net assets			<u>33,853</u>	<u>65,784</u>
Funds of the charity				
Restricted funds			20,170	20,170
Unrestricted funds			<u>13,683</u>	<u>45,614</u>
Total charity funds	17		<u>33,853</u>	<u>65,784</u>

These financial statements were approved by the board of trustees and authorised for issue on 9 May 2022, and are signed on behalf of the board by:

I Cohen
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements

Year ended 30 November 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 183 Coatsworth Road, Gateshead, NE8 1SR.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

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

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Incoming resources

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

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

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

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

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

Tangible assets

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

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

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

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	26,700	26,700	71,762	71,762
Grants				
COVID-19 Grant	—	—	5,000	5,000
	<u>26,700</u>	<u>26,700</u>	<u>76,762</u>	<u>76,762</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest	—	—	3	3
	<u>—</u>	<u>—</u>	<u>3</u>	<u>3</u>

6. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent receivable	5,290	5,290	5,590	5,590
	<u>5,290</u>	<u>5,290</u>	<u>5,590</u>	<u>5,590</u>

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements (continued)

Year ended 30 November 2021

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Social and religious activities	62,669	62,669	40,582	40,582
Support costs	1,252	1,252	672	672
	<u>63,921</u>	<u>63,921</u>	<u>41,254</u>	<u>41,254</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Social and religious activities	30,169	32,500	652	63,321	40,654
Governance costs	–	–	600	600	600
	<u>30,169</u>	<u>32,500</u>	<u>1,252</u>	<u>63,921</u>	<u>41,254</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	72	72	72
Governance costs	600	600	600
	<u>672</u>	<u>672</u>	<u>672</u>

10. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Edgware Yeshiva	–	750
Yeshaya Adler Memorial Fund	2,500	3,000
The Y & B Charitable Trust	–	500
Neetzotz	5,000	–
	<u>7,500</u>	<u>4,250</u>
Grants to individuals		
Grants to individuals	25,000	5,053
Total grants	<u>32,500</u>	<u>9,303</u>

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>600</u>	<u>600</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

2021 £	2020 £
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The average head count of employees during the year was Nil (2020: Nil).

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

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Sefer Torah £	Total £
Cost		
At 1 December 2020 and 30 November 2021	<u>20,170</u>	<u>20,170</u>
Depreciation		
At 1 December 2020 and 30 November 2021	<u>—</u>	<u>—</u>
Carrying amount		
At 30 November 2021	<u>20,170</u>	<u>20,170</u>
At 30 November 2020	<u>20,170</u>	<u>20,170</u>

15. Debtors

	2021 £	2020 £
Contribution debtors	<u>—</u>	<u>9,170</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	<u>1,200</u>	<u>1,200</u>
Other creditors	<u>245</u>	<u>1,091</u>
	<u>1,445</u>	<u>2,291</u>

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements (continued)

Year ended 30 November 2021

17. Analysis of charitable funds

Unrestricted funds

	At 1 December 2020 £	Income £	Expenditure £	At 30 November 2021 £
General funds	45,614	31,990	(63,921)	13,683

	At 1 December 2019 £	Income £	Expenditure £	At 30 November 2020 £
General funds	4,513	82,355	(41,254)	45,614

Restricted funds

	At 1 December 2020 £	Income £	Expenditure £	At 30 November 2021 £
Sefer Torah fund	20,170	—	—	20,170

	At 1 December 2019 £	Income £	Expenditure £	At 30 November 2020 £
Sefer Torah fund	20,170	—	—	20,170

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	—	20,170	20,170
Current assets	15,128	—	15,128
Creditors less than 1 year	(1,445)	—	(1,445)
Net assets	13,683	20,170	33,853

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	—	20,170	20,170
Current assets	47,905	—	47,905
Creditors less than 1 year	(2,291)	—	(2,291)
Net assets	45,614	20,170	65,784

Ahavas Yisroel (Gateshead)

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

19. Taxation

Ahavas Yisroel (Gateshead) is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.