

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**FOR**  
**YESODEY HATORAH SCHOOLS**

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

**YESODEY HATORAH SCHOOLS**

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**for the year ended 31 December 2021**

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## **YESODEY HATORAH SCHOOLS**

### **REPORT OF THE TRUSTEES** **for the year ended 31 December 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 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 objectives of the charity are as follows:

- a) The advancement of the Orthodox Jewish religion and education, particularly by supporting the Yesodey Hatorah Schools, an Independent School serving the Stamford Hill Jewish Community of North London.
- b) The relief of poverty sickness and infirmity among persons of the Jewish faith.
- c) Such other purposes as are charitable according to English Law.

##### **Public benefit**

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and 'The Advancement of Religion for the Public Benefit' in particular, when reviewing the aims and objectives and in planning the charity's future activities. The aims of the charity for the public benefit are detailed in the 'Objectives and Activities' section of this report and the main activities undertaken in order to carry out the charity's aims for the public benefit are outlined under 'Achievements and Performance' below.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The School was founded in 1942 by refugees from Eastern Europe, with an ethos that has continued until today of instilling into our pupils a value system that helps them flourish in the wider society. Many of our alumnae have gone on to play leading roles in both the local community and in other communities throughout the UK, Europe and beyond.

The school had a very successful academic year with the intake of pupils is growing steadily, reflecting the growth of the community the school serves.

Measures implemented in the school during the Covid 19 pandemic allowed the school to build its resilience and the school has emerged in a strong position. The trustees and senior leadership teams continue to seek innovative and creative methods to enhance the education of the children both within and outside of formal lessons and have ambitious plans for the future.

The Covid 19 pandemic highlighted the importance of making the physical and mental wellbeing of the student body a priority. Many within the student body are reliant on the daily meals provided by the school, and the trustees continued to provide regular meals and other assistance to those identified as most vulnerable.

##### **Investment performance**

Under its governing deed the charity has power to invest in any way the trustees wish.

## **YESODEY HATORAH SCHOOLS**

### **REPORT OF THE TRUSTEES** **for the year ended 31 December 2021**

#### **FINANCIAL REVIEW**

##### **Financial results**

The financial results for the year to 31 December 2021 are shown in the attached financial statements.

Total income decreased from £1,805,352 to £1,743,252 and total expenditure increased from £1,583,895 to £1,740,690.

There was a net decrease in income of £218,895 with total unrestricted funds carried forward of £9,348,386 (2020-£9,345,824 ).

##### **Reserves policy**

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through voluntary income. The trustees consider that the ideal level of reserves as at 31 December 2021 would be three months of resources expended which is approximately £425,000.

The free reserves as at 31 December 2021 were £951,212 in deficit (excluding fixed assets of £10,299,598) which is significantly short of the target figure. In calculating the reserves, the trustees have excluded from total funds fixed assets and any restricted income funds.

The trustees are actively pursuing sources of funding in order to ensure that there are sufficient reserves to provide financial stability and flexibility.

#### **FUTURE PLANS**

Yesodey Hatorah Schools will continue to expand and develop its activities to provide an excellent standard of education in both religious studies and the national curriculum and to develop the skills students require so that they make a positive contribution to their communities and society.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The School is an unincorporated registered charity ( 1148117 ) governed by its Trust Deed, dated 16 November 2008 as amended on 5 July 2012.

##### **Recruitment and appointment of new trustees**

Trustees may be appointed by the existing trustees at any time, either to fill a casual vacancy or as an addition to the existing trustees. Any trustees so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election.

No trustee had any beneficial interest in any contract with the charitable entity during the year.

Potential trustees are invited to informally attend trustee meetings prior to appointment and a comprehensive induction programme is available. Additionally individual trustees may undertake external training in a particular area of their role on the Governing Body.

##### **Organisational structure**

The board of trustees administers the charity. The board meets quarterly. The day to day management of Yesodey Hatorah Schools is delegated by the trustees to the Principal.

##### **Induction and training of new trustees**

The charitable entity strives to ensure equal opportunities and diversity in the employment of staff and trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

##### **Wider network**

At present the charity does not consider itself part of a wider network.

## **YESODEY HATORAH SCHOOLS**

### **REPORT OF THE TRUSTEES** **for the year ended 31 December 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. trusteescharity

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

##### **Fundraising**

The charity has a good reputation within the local community and has a large pool of regular donors who wish to have a part in the charitable activities of the charity. Existing donors often recommend and encourage other philanthropists to pledge their support to the success of the charity. As such, the trustees do not engage professional fundraisers nor do they undertake public collections or cold calls.

The charity is committed to the principles set out by the Fundraising Regulator in its Code of Fundraising Practice. When donors are approached, this is done with sensitivity and respect and with regard to their circumstances.

The trustees are pleased to report that no complaints were received in the past twelve months in relation to its fundraising activities.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1148117

##### **Principal address**

2-4 Amhurst Park  
London  
N16 5AE

##### **Trustees**

Y H Pinter  
J Sinitsky  
E J Rabinowitz

##### **Auditors**

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

##### **Principal bankers**

HSBC Bank Plc  
2-4 Amhurst Park  
London  
N16 5AE

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

**YESODEY HATORAH SCHOOLS**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2021**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 26 October 2022 and signed on its behalf by:

Y H Pinter - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF**  
**YESODEY HATORAH SCHOOLS**

**Opinion**

We have audited the financial statements of Yesodey Hatorah Schools (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

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

**Matters on which we are required to report by exception**

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF**  
**YESODEY HATORAH SCHOOLS**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
YESODEY HATORAH SCHOOLS**

**Our responsibilities for the audit of the financial statements**

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

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

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

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

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

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

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

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF**  
**YESODEY HATORAH SCHOOLS**

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

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

26 October 2022

Raffingers LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

**YESODEY HATORAH SCHOOLS**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 December 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	944,037	-	944,037	945,126
<b>Charitable activities</b>					
Provision of education and relief of poverty		488,673	117,705	606,378	671,932
Investment income	3	192,837	-	192,837	188,294
<b>Total</b>		<u>1,625,547</u>	<u>117,705</u>	<u>1,743,252</u>	<u>1,805,352</u>
<b>EXPENDITURE ON</b>					
Raising funds		42,109	-	42,109	23,098
<b>Charitable activities</b>	5				
Provision of education and relief of poverty		<u>1,580,876</u>	<u>117,705</u>	<u>1,698,581</u>	<u>1,560,797</u>
<b>Total</b>		<u>1,622,985</u>	<u>117,705</u>	<u>1,740,690</u>	<u>1,583,895</u>
<b>NET INCOME</b>		2,562	-	2,562	221,457
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		9,345,824	-	9,345,824	9,124,367
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>9,348,386</u></u>	<u><u>-</u></u>	<u><u>9,348,386</u></u>	<u><u>9,345,824</u></u>

The notes form part of these financial statements

**YESODEY HATORAH SCHOOLS**

**BALANCE SHEET**  
**31 December 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	10,299,598	-	10,299,598	10,341,066
<b>CURRENT ASSETS</b>					
Debtors	11	72,491	-	72,491	4,800
Cash at bank		6,666	-	6,666	1,109
		<hr/> 79,157	<hr/> -	<hr/> 79,157	<hr/> 5,909
<b>CREDITORS</b>					
Amounts falling due within one year	12	(995,882)	-	(995,882)	(951,151)
<b>NET CURRENT ASSETS</b>		<hr/> (916,725)	<hr/> -	<hr/> (916,725)	<hr/> (945,242)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,382,873	-	9,382,873	9,395,824
<b>CREDITORS</b>					
Amounts falling due after more than one year	13	(34,487)	-	(34,487)	(50,000)
<b>NET ASSETS</b>		<hr/> 9,348,386	<hr/> -	<hr/> 9,348,386	<hr/> 9,345,824
<b>FUNDS</b>	15				
Unrestricted funds				9,348,386	9,345,824
<b>TOTAL FUNDS</b>				<hr/> 9,348,386	<hr/> 9,345,824

The financial statements were approved by the Board of Trustees and authorised for issue on 26 October 2022 and were signed on its behalf by:

Y H Pinter - Trustee

**YESODEY HATORAH SCHOOLS**

**CASH FLOW STATEMENT**  
**for the year ended 31 December 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	40,124	(12,923)
Interest paid		(17,351)	(18,749)
Net cash provided by/(used in) operating activities		22,773	(31,672)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(12,015)	(21,482)
Interest received		312	386
Net cash used in investing activities		(11,703)	(21,096)
<b>Cash flows from financing activities</b>			
New loans in year		-	50,000
Loan repayments in year		(5,513)	-
Net cash (used in)/provided by financing activities		(5,513)	50,000
<b>Change in cash and cash equivalents in the reporting period</b>		5,557	(2,768)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,109	3,877
<b>Cash and cash equivalents at the end of the reporting period</b>		6,666	1,109

The notes form part of these financial statements

**YESODEY HATORAH SCHOOLS**

**NOTES TO THE CASH FLOW STATEMENT**  
**for the year ended 31 December 2021**

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

	2021	2020
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	2,562	221,457
<b>Adjustments for:</b>		
Depreciation charges	53,483	51,847
Interest received	(312)	(386)
Interest paid	17,351	18,749
Increase in debtors	(67,691)	(4,800)
Increase/(decrease) in creditors	34,731	(299,790)
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operations</b>	<u>40,124</u>	<u>(12,923)</u>

**2. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
<b>Net cash</b>			
Cash at bank	1,109	5,557	6,666
	<hr/>	<hr/>	<hr/>
	1,109	5,557	6,666
	<hr/>	<hr/>	<hr/>
<b>Debt</b>			
Debts falling due within 1 year	-	(10,000)	(10,000)
Debts falling due after 1 year	(50,000)	15,513	(34,487)
	<hr/>	<hr/>	<hr/>
	(50,000)	5,513	(44,487)
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<u>(48,891)</u>	<u>11,070</u>	<u>(37,821)</u>

The notes form part of these financial statements

## **YESODEY HATORAH SCHOOLS**

### **NOTES TO THE FINANCIAL STATEMENTS** **for the year ended 31 December 2021**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

##### **Assessment of going concern**

The trustees, having made appropriate enquiries, consider that adequate resources exists for the charity to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt going concern basis in preparing the financial statements as at and for the year ended 31 December 2021. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In arriving at the conclusion, the trustees have considered the potential implications of the effects of Covid 19 on the charity. The figures for the period under consideration have not been significantly impacted by Covid 19 and the trustees are confident that no adjustments are necessary to the carrying value of the assets held at the balance sheet date.

Undoubtedly there will be challenges ahead but the trustees do not expect material concerns to arise over the charity's financial position or going concern.

##### **Critical accounting judgements and key sources of estimation uncertainty**

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets.
- allocation of support costs across charitable activities.
- estimating the value of meal and rent to be recognised in accordance with FRS 102.

##### **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.

##### **Grant income**

Government grants, including non-monetary grants shall not be recognised until there is reasonable assurance that:

- (a) the entity will comply with the conditions attached to them; and
- (b) the grants will be received.

##### **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.

##### **Raising funds**

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

## **YESODEY HATORAH SCHOOLS**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the year ended 31 December 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Charitable activities**

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

##### **Support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personal development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of its compliance with regulation and good practice.

##### **Allocation and apportionment of costs**

Overhead and support costs relating to charitable activities have been apportioned based on usage.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 2% on cost
Fixtures and fittings	- 25% on reducing balance

##### **Freehold and buildings**

The book value of freehold land and buildings are based on a valuation made by the trustees in 2016. Under the transitional arrangements set out in FRS 102, this valuation is deemed to equal to cost. Additions to the land and buildings since 2016 are stated at cost.

##### **Depreciation**

Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

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

Included in unrestricted funds is a revaluation fund comprising the revaluation surplus of the charity's properties, existence of this fund is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by this surplus should not be regarded, therefore, as realisable value represented by:

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.

##### **Cash at bank and in hand and debtors**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to be present value of the future cash receipt where such discounting is material.



**YESODEY HATORAH SCHOOLS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2021**

**1. ACCOUNTING POLICIES - continued**

**Creditors and provision**

Creditors and provision are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provision are recognised at the moment the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payments where such discounting is material.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Gifts in kind**

Gifts in kind are included at the value to the charity where this can be quantified.

**Financial instruments**

Basic financial assets, including trade and other receivables and cash and bank balances 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.

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	944,037	945,126

**3. INVESTMENT INCOME**

	2021	2020
	£	£
Rents received	192,525	187,908
Deposit account interest	312	386
	192,837	188,294

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2021	2020
		£	£
Grants	Provision of education and relief of poverty	249,916	295,936
Parental contributions	Provision of education and relief of poverty	356,462	375,996
		606,378	671,932

Grants received, included in the above, are as follows:

	2021	2020
	£	£
London Borough of Hackney Council	92,404	381,937
London Borough of Haringey Council	25,301	45,921
Job retention scheme grants	132,211	195,713
	249,916	623,571

**YESODEY HATORAH SCHOOLS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2021**

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Provision of education and relief of poverty	1,105,330	287,138	306,113	1,698,581

**6. GRANTS PAYABLE**

	2021 £	2020 £
Provision of education and relief of poverty	287,138	310,638

The total grants paid during the year was as follows:

	2021 £	2020 £
Ahavas Chesed	9,000	-
ITYH	37,565	125,046
Kollel Grocery	7,000	
Kollel Tifereth Sholom	6,000	-
North London Cost Shop	5,000	
Rise and Shine	4,800	-
Teens United	9,082	-
Yesodei Hatorah Synagogue	5,000	-
Donations less than £4,500	59,545	98,047
Donations to Individuals	144,146	87,545
	287,138	310,638

All grants payable were made to institutions who support the provision of education and relief of poverty.

**7. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Provision of education and relief of poverty	269,562	17,351	19,200	306,113

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**YESODEY HATORAH SCHOOLS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2021**

**9. STAFF COSTS**

	2021	2020
	£	£
Wages and salaries	742,424	711,863
Social security costs	22,690	24,722
Other pension costs	8,329	8,882
	<u>773,443</u>	<u>745,467</u>

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

	2021	2020
Charitable activities	72	70
Administration	3	1
	<u>75</u>	<u>71</u>

No employees received emoluments in excess of £60,000.

**10. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2021	8,332,746	2,152,672	47,307	10,532,725
Additions	-	-	12,015	12,015
	<u>8,332,746</u>	<u>2,152,672</u>	<u>59,322</u>	<u>10,544,740</u>
At 31 December 2021	8,332,746	2,152,672	59,322	10,544,740
<b>DEPRECIATION</b>				
At 1 January 2021	-	170,728	20,931	191,659
Charge for year	-	43,053	10,430	53,483
	<u>-</u>	<u>213,781</u>	<u>31,361</u>	<u>245,142</u>
At 31 December 2021	-	213,781	31,361	245,142
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>8,332,746</u>	<u>1,938,891</u>	<u>27,961</u>	<u>10,299,598</u>
At 31 December 2020	<u>8,332,746</u>	<u>1,981,944</u>	<u>26,376</u>	<u>10,341,066</u>

One of the freehold properties has been provided as security for a bank loan granted to Yesodey Hatorah Primary Girls School Trust, a connected charity. At 31 August 2021 the amount outstanding on the loan was £423,658.

**YESODEY HATORAH SCHOOLS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2021**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	2,491	4,800
Other debtors	70,000	-
	<u>72,491</u>	<u>4,800</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Bank loans and overdrafts (see note 14)	10,000	-
Trade creditors	99,820	112,777
Taxation and social security	41,619	3,175
Other creditors	844,443	835,199
	<u>995,882</u>	<u>951,151</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021	2020
	£	£
Bank loans (see note 14)	<u>34,487</u>	<u>50,000</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>10,000</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans	<u>24,487</u>	<u>50,000</u>

**15. MOVEMENT IN FUNDS**

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	9,345,824	2,562	9,348,386
	<u>9,345,824</u>	<u>2,562</u>	<u>9,348,386</u>
<b>TOTAL FUNDS</b>	<u>9,345,824</u>	<u>2,562</u>	<u>9,348,386</u>

**YESODEY HATORAH SCHOOLS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2021**

**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,625,547	(1,622,985)	2,562
<b>Restricted funds</b>			
School activities - Grants	117,705	(117,705)	-
<b>TOTAL FUNDS</b>	<u>1,743,252</u>	<u>(1,740,690)</u>	<u>2,562</u>

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	9,124,367	221,457	9,345,824
<b>TOTAL FUNDS</b>	<u>9,124,367</u>	<u>221,457</u>	<u>9,345,824</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,705,129	(1,483,672)	221,457
<b>Restricted funds</b>			
School activities - Grants	100,223	(100,223)	-
<b>TOTAL FUNDS</b>	<u>1,805,352</u>	<u>(1,583,895)</u>	<u>221,457</u>

**Restricted funds:**

The charity's restricted funds during the year were made up as follows:

Name of fund	Description, nature and purpose of fund
School Activities	Local council grants to assist with the provision of Special Education facilities and support.

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

## **YESODEY HATORAH SCHOOLS**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the year ended 31 December 2021**

#### **16. EMPLOYEE BENEFIT OBLIGATIONS**

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

The pension cost charge represents contributions payable by the charity to the fund and amounted to £8,329 (2020 - £8,882). Contributions payable at the year end totalling £1,604 (2020 - £1,877) are included in creditors.

#### **17. CAPITAL COMMITMENTS**

There were no capital commitments at the balance sheet date.

#### **18. RELATED PARTY DISCLOSURES**

During the year the charity received rent of £80,000 (2020 - £80,000) from connected charities, Yesodey Hatorah Primary Girls School Trust and Yesodey Hatorah Girls School Limited. The rent received relates to 153 Stamford Hill, London, N16 5LG, a property owned by Yesodey Hatorah Schools.

During the year the charity also received £87,824 (2020 - £69,496) for school meal expenses from the above charities.

At the balance sheet date, the charity owed £428,252 (2020 - £282,868) to Yesodey Hatorah Primary Girls School Trust, and was owed £70,000 by Yesodey Hatorah Girls School Limited.

#### **19. AUDITOR LIABILITY LIMITATION AGREEMENT**

The charity has entered into a liability limitation agreement with Raffingers, the statutory auditor, in respect of the statutory audit for the year ended 31 December 2021. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements.