

DARKEI AVOS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

DARKEI AVOS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Esther Reich
Jacob Reich
Rivka Dunner

Charity number

1180711

Independent examiner

Michael Weissbraun, FCA
Michael, Pasha & Co.
London
NW11 8SR

DARKEI AVOS

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DARKEI AVOS

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The trustees present their annual report and financial statements for the year ended 30 June 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 trust's deed, the Charities Act 2011 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

Darkei Avos was founded to advance the education of high school aged pupils through the study of a designated moral, ethical and educational framework, Pirkei Avos. Darkei Avos promotes personal development, social interaction and communal involvement.

Interactive learning guides, incentives and prizes are distributed to achieve the learning goals. The knowledge gained from learning helps pupils to succeed in all areas, it develops their spiritual core and shows them how to be the best version of themselves.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Achievements and performance

Due to Covid 19, the Trust has been forced to scale back activities in Trust's objective. However, the trust spent the time procuring materials and aims to resume efforts to achieve its objectives in coming years.

Financial review

During the year, the trust made a surplus of £6,357 (2020: deficit £972).

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The trust is constituted as an incorporated charity and controlled by its governing document, trust deed.

The trustees who served during the year and up to the date of signature of the financial statements were:

Esther Reich

Jacob Reich

Rivka Dunner

The day to day activities are managed by all trustees.

DARKEI AVOS

TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2021*

The Trustees' report was approved by the Board of Trustees.

Jacob Reich
Trustee

28 June 2022

DARKEI AVOS

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DARKEI AVOS

I report to the trustees on my examination of the financial statements of DARKEI AVOS (the trust) for the year ended 30 June 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the trust's financial statements carried out under section 145 of 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 trust as required by section 130 of the 2011 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 financial statements to be reached.

Michael Weissbraun, FCA

Michael, Pasha & Co
220 The Vale
London
NW11 8SR

Dated: 28 June 2022

DARKEI AVOS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
Income from:					
Donations and legacies	2	25,231	89,568	43,737	133,305
Expenditure on:					
Charitable activities	3	18,874	90,540	43,737	134,277
Net income/(expenditure) for the year/ Net movement in funds		6,357	(972)	-	(972)
Fund balances at 1 July 2020		282	1,254	-	1,254
Fund balances at 30 June 2021		6,639	282	-	282

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DARKEI AVOS

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		8,199		3,162	
Creditors: amounts falling due within one year	7	(1,560)		(2,880)	
		<u> </u>		<u> </u>	
Net current assets			6,639		282
			<u> </u>		<u> </u>
Income funds					
Unrestricted funds			6,639		282
			<u> </u>		<u> </u>
			6,639		282
			<u> </u>		<u> </u>

The financial statements were approved by the Trustees on 28 June 2022

Jacob Reich
Trustee

DARKEI AVOS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Charity information

DARKEI AVOS is a trust established by a trust deed on 24 April 2018.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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 Income

Income is recognised when the trust 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 trust 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.

DARKEI AVOS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

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.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Donations and gifts	25,231	89,568	43,737	133,305

DARKEI AVOS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

3 Charitable activities

	Darkei Avos projects 2021 £	Darkei Avos projects 2020 £
Share of support costs (see note 4)	17,201	130,527
Share of governance costs (see note 4)	1,673	3,750
	<u>18,874</u>	<u>134,277</u>
Analysis by fund		
Unrestricted funds	18,874	90,540
Restricted funds	-	43,737
	<u>-</u>	<u>43,737</u>

4 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Rates and water	-	-	-	865	-	865
Website costs	1,760	-	1,760	9,874	-	9,874
Motor and travel	199	-	199	26	-	26
Legal and professional fees	1,667	-	1,667	628	-	628
Office costs	5,203	-	5,203	2,697	-	2,697
Interest payable	63	-	63	310	-	310
Advertising costs	1,755	-	1,755	2,776	-	2,776
Materials and consumables	3,304	-	3,304	61,299	-	61,299
Sundry services	-	-	-	27,354	-	27,354
Events	3,250	-	3,250	24,698	-	24,698
Accountancy	-	1,560	1,560	-	2,880	2,880
Consultancy	-	113	113	-	870	870
	<u>17,201</u>	<u>1,673</u>	<u>18,874</u>	<u>130,527</u>	<u>3,750</u>	<u>134,277</u>
Analysed between						
Charitable activities	<u>17,201</u>	<u>1,673</u>	<u>18,874</u>	<u>130,527</u>	<u>3,750</u>	<u>134,277</u>

Governance costs includes payments to the auditors of £1,560 (2020- £2,880) for audit fees.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

5 Trustees

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2021 nor for the year ended 5 April 2020.

6 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
3	3
=====	=====

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

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,560	2,880
	=====	=====

8 Related party transactions

Included in donations received is £4,994 received from Immosuisse (UK) Ltd, of which Jacob and Esther Reich are directors.