

Charity number: 207404

THE INITIATION SOCIETY

Trustees' annual report and accounts

31 December 2020

THE INITIATION SOCIETY

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THE INITIATION SOCIETY

Reference and administration details

Honorary officers	Dr Sholaum Gerson Springer	President
	Mr Jonathan Robert Weinstein	Treasurer
Trustees	Dr Sholaum Gerson Springer	(Appointed 26 February 2020)
	Mr Jonathan Robert Weinstein	(Appointed 26 February 2020)
	Dr Joseph Spitzer	(Appointed 26 February 2020)
	Mr Alexander Heilpern	(Resigned 26 February 2020)
	Rabbi Joseph Schischa	(Resigned 26 February 2020)
Secretary	Mr Maurice Levenson	
Charity number	207404	
Principal address	22 Wentworth Road London NW11 0RP	
Accountants	Frank Murray Weinberg FCA, FCCA, CTA Somers Baker Prince Kurz LLP Chancellors House Brampton Lane Hendon London NW4 4AB	
Bankers	Santander UK plc Bridle Road Bootle Merseyside L30 4GB	

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Trustees' report (continued) Year ended 31 December 2020

The trustees are pleased to present their annual report and accounts of the Society for the year ended 31 December 2020.

Reference and Administration Details

The reference and administration details of the Society is set out on page 2.

Structure, Governance and Management

THE INITIATION SOCIETY is a UK registered charity and is governed by the Laws of the Society founded in 1745 and amended most recently in 1996. It is managed by the Honorary Officers and a Board of Trustees. A General Committee, which includes the Honorary Officers and the Trustees, is responsible for establishing the policy of the Society. An Executive Committee, which consists of the President, the Treasurer, the Secretary and the Medical Officer, is responsible for the general day to day management of the Society.

The General Committee meets twice annually. The Executive Committee meets whenever the President considers appropriate and, in any case, if two members of the Executive Committee so require. The Secretary attends but does not vote in the Executive Committee and is responsible for the administrative functions of the Society.

Objectives and Activities

The main activity and objective of the Society is to promote advancement of the Jewish religion by facilitating the initiation of male Jewish children into the Covenant of Abraham. The trustees confirm that they gave regard to the Charity Commission guidance on public benefit when preparing this report.

Achievements, Performance and Financial Review

The Society's funds are applied in furtherance of its objectives and the day-to-day running of the Society.

During the year ended 31 December 2020, total incoming resources of the Society amounted to £58,554 (2019: £92,574). The resources expended amounted to £83,153 (2019: £73,494), resulting in net outgoing resources of £24,599 (2019: Net incoming resources of £19,080).

As a result of the impact of Covid-19, the Society's financial performance during the year has been disappointing which is mainly due to the significant shortfall in donations received to cover the day-to-day expenses. However, the Society is currently undergoing a programme of modernisation of its functions, including medical standards, communication, education, legal review of its policies, training and enforcement methods. This modernisation programme is being funded by grants. The Trustees are optimistic that this modernisation programme will prompt relevant parties to provide their renewed support to the Society.

Trustees Declaration

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ascertain that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the Society's Laws. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report on 29 October 2021 and signed on their behalf by:

Dr Sholaum Gerson Springer
Trustee

Mr Jonathan Robert Weinstein
Trustee

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Independent Examiner's Report to the Trustees of THE INITIATION SOCIETY

I report to the trustees on the accounts of THE INITIATION SOCIETY (Charity number 207404) ("the Trust") for the year ended 31 December 2020 which comprise the statement of financial activities, the statement of financial position and the related notes.

Responsibilities and basis of report

As the charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts 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, other than that disclosed below, which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Material uncertainty related to going concern

Notwithstanding the going concern paragraph included in the Notes to the financial statements, attention should however be drawn to the increase in deficit of the charity's unrestricted funds at the reporting date. Unless the charity is able to raise additional funds and/or obtain significant contributions towards its day-to-day expenses in the foreseeable future, the charity may become insolvent. This may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

Frank M Weinberg FCA, FCCA, CTA
Somers Baker Prince Kurz LLP
Chartered Accountants and Chartered Certified Accountants

29 October 2021

Chancellors House
Brampton Lane
Hendon
London
NW4 4AB

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Statement of financial activities for the year ended 31 December 2020

		Unrestricted funds	Restricted income funds	Total funds 2020	Total funds 2019
	Notes	£	£	£	£
Incoming resources					
Donations and legacies	4	31,029	9,480	40,509	72,304
Charitable activities	4	17,998	-	17,998	20,246
Investments	4	47	-	47	24
Total incoming resources		<u>49,074</u>	<u>9,480</u>	<u>58,554</u>	<u>92,574</u>
Resources expended					
Expenditure on management and administration of the charity	5	<u>59,240</u>	<u>23,913</u>	<u>83,153</u>	<u>73,494</u>
Total resources expended		<u>59,240</u>	<u>23,913</u>	<u>83,153</u>	<u>73,494</u>
Net (expenditure)/income being net movement in funds		(10,166)	(14,433)	(24,599)	19,080
Reconciliation of funds:					
Funds brought forward - surplus/(deficit)		<u>(511)</u>	<u>14,433</u>	<u>13,922</u>	<u>(5,158)</u>
Funds carried forward - (deficit)/surplus		<u>(10,677)</u>	<u>-</u>	<u>(10,677)</u>	<u>13,922</u>

The notes on pages 7 to 11 form part of these financial statements.

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**Statement of financial position
31 December 2020**

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	6		238		317
Current assets					
Debtors	7	24,929		21,790	
Cash at bank and in hand		11,117		18,044	
		<u>36,046</u>		<u>39,834</u>	
Creditors: amounts falling due within one year	8	<u>(46,961)</u>		<u>(26,229)</u>	
Net current (liabilities)/assets			<u>(10,915)</u>		<u>13,605</u>
Total assets less current liabilities			<u>(10,677)</u>		<u>13,922</u>
Net (liabilities)/assets			<u><u>(10,677)</u></u>		<u><u>13,922</u></u>
Funds of the charity					
Restricted income funds	9	-		14,433	
Unrestricted funds (deficit)	9	<u>(10,677)</u>		<u>(511)</u>	
Net (deficit)/surplus			<u><u>(10,677)</u></u>		<u><u>13,922</u></u>

Approved by the trustees on 29 October 2021 and signed on their behalf by:

Dr Sholaum Gerson Springer
Trustee

Mr Jonathan Robert Weinstein
Trustee

The notes on pages 7 to 11 form part of these financial statements.

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Notes to the financial statements Year ended 31 December 2020

1. General information

The charity is an unincorporated charity registered with the Charity Commission in England and Wales. The registered address of the charity is 22 Wentworth Road, London, NW11 0RP. The Society is a public benefit entity.

2. Statement of compliance

These accounts have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014, with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

Going concern

Despite the impact of Covid-19, the implementation of the Society's modernisation programme as described in the Trustees' report should ensure that it remains a going concern for the foreseeable future. Accordingly, these accounts have been prepared on the going concern basis.

Recognition of income

These are included in the statement of financial activities when:

- the charity becomes entitled to the resources;
- it is more likely than not that the charity will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of income and expenses, or assets and liabilities, unless required by SORP (FRS 102) or FRS 102.

Grants and donations

Grants and donations are only included in the statement of financial activities when the general income recognition criteria are met (paragraphs 5.10 to 5.12 SORP (FRS 102)).

Income from registrations and subscriptions

Registration and subscription fees which give members a right to services or other benefits are recognised as income earned from charitable activities. Amounts received in the nature of a gift are recognised as donations and legacies.

Income from interest

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

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Notes to the financial statements (continued) Year ended 31 December 2020

Taxation

The Society is exempt from taxation.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment - 25% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

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.

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 SORP (FRS 102). Subsequent measurement is as per paragraphs 11.17 to 11.19 SORP (FRS 102).

Debtor recognition

Debtors are measured on initial recognition at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration to be received.

Liability and expenditure recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

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Notes to the financial statements (continued) Year ended 31 December 2020

4. Incoming resources of the charity

	Unrestricted funds £	Restricted income funds £	Total 2020 £	Total 2019 £
Donations and legacies				
Donations	10,289	-	10,289	34,229
Gift Aid	220	-	220	75
Grants	20,520	9,480	30,000	38,000
	<u>31,029</u>	<u>9,480</u>	<u>40,509</u>	<u>72,304</u>
Charitable activities				
Registration and tuition fees of Mohelim	17,998	-	17,998	20,246
Investments				
Bank interest	47	-	47	24
	<u>49,074</u>	<u>9,480</u>	<u>58,554</u>	<u>92,574</u>

5. Expenditure on management and administration of the charity

	Unrestricted funds £	Restricted income funds £	Total 2020 £	Total 2019 £
Medical officer's expense and allowance	250	-	250	250
Secretarial fees	15,000	-	15,000	15,000
Administrative support	1,623	6,143	7,766	4,330
Insurance of trainees and Mohelim	33,700	-	33,700	31,191
Printing, postage and stationery	247	-	247	228
Website costs	3,424	9,480	12,904	6,732
PR, seminar and conference	162	-	162	1,026
Legal and professional	2,680	8,290	10,970	12,862
Accountancy and independent examination	2,040	-	2,040	1,680
Bank charges	-	-	-	50
General expenses	35	-	35	58
Depreciation of fixtures, fittings and equipment	79	-	79	87
	<u>59,240</u>	<u>23,913</u>	<u>83,153</u>	<u>73,494</u>

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Notes to the financial statements (continued) Year ended 31 December 2020

6. Tangible assets

	Fixtures, fittings and equipment £
Cost	
At 1 January 2020 and 31 December 2020	578
Depreciation	
At 1 January 2020	261
Charge for the year	79
At 31 December 2020	340
Carrying amount	
At 31 December 2020	238
At 31 December 2019	317

7. Debtors

	2020	2019
	£	£
Prepayments	24,929	21,790

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Loans	41,000	24,500
Accruals	3,820	1,680
Other creditors	2,141	49
	46,961	26,229

Loans are unsecured, interest-free and repayable on demand.

9. Funds of the charity

Restricted income funds represent grants and donations received for specific projects less amounts expended during the year on these projects. The charity's restricted funds are for the ongoing modernisation programme as described in the Trustees' report. At the reporting date, restricted funds amounting to £nil (2019: £14,433) are represented entirely by cash at bank.

Unrestricted funds are funds which the Trustees are able to spend or apply at their discretion to further any of the charity's purposes.

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Notes to the financial statements (continued) **Year ended 31 December 2020**

10. Related party transactions

During the year, a further loan of £6,500 was extended to the Society by the Philip & Lorrain Weinstein Charitable Trust, a charity whose Trustee, Mr J R Weinstein, was also a Trustee of the Society. The loan is interest-free and unsecured. The amount outstanding at the reporting date was £9,000 (2019: £2,500).

At the reporting date, the amount owed by the Society to one of its Honorary Officers, Dr S G Springer, in respect of an unsecured interest-free loan was £10,000 (2019 - £10,000).

At the reporting date, the amount owed by the Society to one of its Trustees, Dr J Spitzer, in respect of an unsecured interest-free loan was £1,000 (2019 - £1,000).

There were no other related party transactions during the current or prior year, including remuneration or reimbursement of out-of-pocket expenses made to the Trustees or Honorary Officers, or to third parties for expenses incurred by the Trustees or Honorary Officers.