

**KISHARON
(LIMITED BY GUARANTEE)**

**CONSOLIDATED
FINANCIAL STATEMENTS**

**FOR THE
YEAR ENDED 31 AUGUST 2021**

**COMPANY REGISTRATION NUMBER 1259900
CHARITY NUMBER 271519**

COHEN ARNOLD
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

**KISHARON
(LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021**

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KISHARON
(LIMITED BY GUARANTEE)
MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS
YEAR ENDED 31 AUGUST 2021

Registered charity name	Kisharon
Charity number	271519
Company registration number	1259900
Registered office	First Floor 333 Edgware Road London NW9 6TD
Honorary President	Mr L Noe
Trustees & Directors	Mr P Goldberg (Chairman) Mrs E Castleton Ms J Greenaway Ms V Hart (Appointed 15 February 2021) Ms C Kaye (Appointed 15 February 2021) Mr D Klein Ms C Lerner (Appointed 15 February 2021) Mr M Lerner Mr R Levy Mr A Loftus Mr L Noe (resigned 1 September 2021) Mr D Rasouly
Secretary	Mr P Darnell
Kisharon Leadership Team	Chief Executive Mr R Franklin Director of Operations Mrs H Kessler Director of Fundraising Ms H Newmark (to February 2021) Co-Directors of Fundraising Mrs J Levy (from March 2021) Mrs C Rozenberg (from September 2021) Director of Corporate Services Mr P Darnell
Auditor	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU
Bankers	Barclays Bank Plc 1250 High Road Whetstone N20 0PB

**KISHARON
(LIMITED BY GUARANTEE)
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and audited financial statements for the year ended 31 August 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the year were as follows:

Mr P Goldberg
Mrs E N Castleton
Mr J Coogan (Resigned 15 February 2021)
Ms J Greenaway
Ms V Hart
Ms C Kaye
Mr D Klein
Ms C Lemer
Mr M Lerner
Mr R Levy
Mr A Loftus
Mr L Noe (Resigned 1 September 2021)
Mr D Rasouly

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Kisharon is a Company limited by Guarantee not having a Share Capital. It is registered as a charity with the Charity Commission (Number 271519).

Kisharon's governing instruments are its Memorandum and Articles of Association dated 9 April 1976 as augmented by subsequent special resolutions.

Appointment of Trustees

The trustees (as directors for company law purposes) may at any time co-opt any individual who is qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

Trustee induction and training

New trustees must familiarise themselves with the content of the Memorandum and Articles of Association, their legal obligations under charity and company law, the organisational structure of Kisharon and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

All Trustees give their time voluntarily. No remuneration or expenses were paid in the year.

Related parties

Kisharon is related to a charity, Kisharon Charitable Trust. All of Trustees are also Trustees of Kisharon Charitable Trust. Kisharon Charitable Trust owns the freehold properties which are operated by Kisharon in furtherance of the objectives of the two entities.

The Charity has maintained insurance cover for the benefit of its Trustees against any liability incurred by them in carrying out their duties in such capacities. The premium paid in respect of such insurance was £2,750.

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OBJECTIVES AND ACTIVITIES

The principal object of the charity is to provide excellence in education, vocational training, care and support for children and adults with learning difficulties within a traditional Jewish environment. Kisharon aims to provide the requisite support to enable individuals to develop their potential and live as independently as possible in a mutually supportive local community.

Kisharon's mission is to realise ambitious and personalised education and support together with people with learning disabilities and autism, enabling a good life where people are valued contributors to the community.

Kisharon offers a breadth of service which enables the charity to support individuals at every stage of their lives. The services include an integrated nursery, a special school, support for adults to develop life skills and social inclusion, an employment service, supported living and parental advice and support service.

ACHIEVEMENTS AND PERFORMANCE

The outstanding achievement over the period was the commitment and care displayed by Kisharon staff across all services in continuing to provide essential support despite the danger and difficulties presented by the pandemic. The trustees wish to record their gratitude to, and pride in, the staff who have delivered the highest quality of care under unrelenting pressure for an extended period.

The year also witnessed the following achievements:

- Organisational:
 - As a consequence of the succession work carried out by the Nominations Committee three new trustees joined the Board to expand the range of skills and experience thereon.
 - Leo Noe stepped down as a trustee but accepted the invitation to become an Honorary Life President.
 - The charity devoted significant time and energy to the review of formal and informal collaborative work with other Jewish charities engaged in the provision of support for children and adults with learning disabilities. The exercise is ongoing and the charities involved intend to reach conclusions in the spring of 2022.
 - The fundraising team was restructured with the appointment of Co-Directors. Community engagement was reviewed and new appointments were made to deepen that provision, including a Head of Jewish Living, a Jewish Community Fieldworker and a Volunteer Co-Ordinator.
- Service development:
 - Tuffkid Nursery, ranked Outstanding by OFSTED, was the first Nursery to win the Mayor of London's Gold Medal for physical activity in the Mayor's Healthy Early Years programme.
 - The charity continued to provide finance, HR and fundraising support to the new Kisharon Wohl Campus, Kisharon Noé School & Loftus Learning Centre which further increased its pupil roll by 50% to 62. All 72 places will be filled for the September 2022 term. The Charity also supported the Recruitment of a New Head and Deputy Head teacher.
 - A new 5 person supported living scheme (Clara House) for young women with complex needs was opened within budget and was filled as planned by November 2021.

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YEAR ENDED 31 AUGUST 2021

- Two new software systems (The Raiser's Edge for Fundraising and iPlanit for Care Management) were installed, the latter implementation being commended at the Care England Conference.
- As part of its ongoing policy of strategic alignment with other service providers in the community, Kisharon:
 - enhanced the Day Opportunities service of continued learning and progression, work skills, life skills, social enterprise, and employment. It was relocated and refocused in Northwest London consolidating the premises from which the services were offered to maximise impact and service efficiencies
 - announced the transference of Further Education to operate solely from Langdon premises
 - reached pre-contract agreement for the joint development of 1009/1011 Finchley Road with The Industrial Dwelling Society
- reached in-principle agreement with JAMI to work on joint programming for people with learning disabilities and mental health needs at the expanded Head Room café following the successful joint bid for Changing Places facilities
- In relation to Kisharon Social Enterprises:
 - The library was visited by 2000 people and supported 13 people with learning disabilities into career training, work or work equivalence.
 - Over 30 synagogues, as well as the Armed Services used Kisharon Social Enterprises to source gifts for Chaggim (Festivals) designed and packed by Kisharon's students and volunteers offering vocational training for people with learning disabilities.
 - Kisharon Bikes offered eight people with learning disabilities a post covid high of 396 training hours.
 - Employment services are returning to pre-Covid levels with 31 people and supported placements now being offered to Kisharon Noé School final year students.
 - The Kisharon print shop closed in the autumn of 2022 as part of the restructuring of the Day Service offering.

A brief overview of each of the services falling under the Kisharon umbrella follows with the major events and achievements highlighted:

Tuffkid Nursery

A Froebel-based Nursery following the Early years Foundation stage, Tuffkid presently has 28 infants between the ages of 2 and 4 years with 25% diagnosed Special Educational Needs - with others attending also being attracted by a developmentally appropriate frameworks of schema theory and Laever's signs of involvement and wellbeing. As in previous years, Tuffkid has a waiting list for those wishing to attend.

Each child has an individually planned curriculum. Children are allowed to experiment and focus on activities that interest them.

Children are encouraged to develop at their own pace and pursue their own interests.

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Wohl Campus & Kisharon Noé School

The school was consecrated during the pandemic by the Chief Rabbi, and a formal opening will be held when the pandemic allows. The state-of-the-art facilities support children between the ages of 4 and 19 years with a wide range of educational needs, including general learning disabilities, autistic spectrum disorders and profound and multiple learning disabilities.

The children are taught through highly individualised programmes which incorporate therapeutic intervention. The curriculum is adapted to focus around the teaching of Jewish values and how they are applied to everyday life. The students have the opportunity to develop further through work experience programmes which prepare them for involvement in the community.

The school is a separate legal entity which is being supported by Kisharon financially and administratively until financial sustainability is achieved.

Kisharon Further Education College

Kisharon continued its Further Education College offering, at Childs Hill Library, in conjunction with Langdon College, for a final current academic year focusing on vocational skills and using Langdon College for classroom based learning.

Kisharon Adult Day Opportunities

The summer transfer of Kisharon's North West London services to Finchley Road following the closure of Buckland House, enabled Day Services to reopen following a prolonged suspension of on-site services due to local authority restrictions instituted at the onset of the C-19 pandemic. Online and outreach programmes were available throughout this period, with an extended programme of keep-fit, arts and crafts, home economics, as well as religious and leisure activities. During permitted intervening periods, clients were also supported through socially distanced walks and related activities.

Kisharon transformation and development work to plan for future service provision is ongoing.

Asher Loftus Business Centre and Kisharon Employment Service

The Asher Loftus Business Centre oversees work-based learning programmes and employment opportunities which have been hit hard by the pandemic. 10 roles for people with learning disabilities have been lost and a further 37 roles are suspended. Active recruitment searches have been resumed as restrictions have eased. Self-employment sessions have been run in the interim by two facilitators.

Fulfilment opportunities during this period were primarily made available via Kisharon Print and Design. Equal, Kisharon's high quality gift shop in Temple Fortune broadly maintained its profitable year of operation with sales only 4% down over the previous period. Bike Shop sales were up 9%, which assisted in maintaining vocational activity. Initiatives to move more enterprise online are planned to create growth in fulfilment and customer service opportunities in what is anticipated to be an otherwise challenging employment environment in the foreseeable future

Supported Living Service

Kisharon's Supported Living Service currently enables 33 individuals with a range of learning disabilities to live independently. For some this entails care and support for 24 hours of every day seven days a week while others require a few hours to assist with housekeeping and budgeting. Each individual requiring this service is assessed and support is arranged based on person-centred planning rolled out by an empowered team leader model adopted by the service. Growing demand for independent accommodation will be met via the new supported living schemes being introduced.

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Volunteering

The C-19 pandemic gave rise to a renewed desire among supporters to give of their time through Kisharon's on-line befriending, vocational support and challah lockdown deliveries (leading to a JVN award for innovation).

Support Services

Kisharon support services broaden the charity's help to families impacted by learning disabilities across the UK. As part of its commitment to work in strategic alliance with other communal providers, Kisharon has reached an agreement to share the benefits of JWEB with both Norwood and Langdon to leverage the offering to an even broader cross-section of the community.

FINANCIAL REVIEW

The consolidated operating surplus* for the year to 31 August 2021 was £457,405 (2020: £242,805) comprising the results of:

Kisharon	operating surplus*	£541,297	(2020 surplus : £359,356)
Kisharon Enterprises Limited	operating deficit	£83,892	(2020 deficit : £116,551)

*Surplus is before the grant of £935k to Kisharon Charitable Trust to construct Supported Living accommodation.

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OPERATIONS

Covid

For a second financial year, charity activity was dominated by the impact of the pandemic. There were significant additional costs, of over £100,000, arising from additional protective equipment, cleaning and the provision of home working facilities. In addition, the flexible approach to support required the dedication of additional staff hours.

The maintenance of the support provision resulted in a limited use of the government Job Retention Scheme (JRS) with the exception of the social enterprise activity in which the majority of the commercial outlets which were largely closed during this period. In addition, a variety of Local Authority and Government grants contributed over £25,000 to the extra costs.

General

Statutory funding for the charity's services remained stable over the period although costs rose as a consequence of the pandemic. There was some limited compensating movement in and out of the services.

There were reductions in income from the nursery provision which was reliant on a remote offering for an extended period, and from the retail outlets which, with the exception of the bike shop, were required to close. Lost income was largely mitigated by JRS.

It is clear, however, that Local Authorities are reviewing the basis of funding for services and it is highly likely that Kisharon will need to adapt quickly to changes in funding mechanisms. As the charity emerges from current restrictions, it will have to ensure that its financial platform is fit for purpose in an altered funding environment.

Fundraising

It was ultimately a successful year in respect of fundraising. For a second successive year an online appeal replaced the traditional Annual Dinner while many other events and challenges had to be cancelled. However, the overwhelming support of the community resulted in an overall 19% increase in charitable revenue income while costs were maintained at the 2020 level.

Kisharon Enterprises

The annual deficit was reduced from £116k to £84k as JRS income mitigated the loss of trading income. The gift shop continued to prove a popular venue when open and has used the opportunity provided by lockdown to initiate the development of an online presence. The challenge for the future is to improve the financial sustainability of the enterprises in a new retail landscape which has altered significantly during the pandemic. Another challenge will be to restore employment opportunities for those we support, the majority of which have been lost in the pandemic.

Reserves and Cash Flow

The Board is committed to continue to increase the level of unrestricted reserves of the company. This is particularly important in the current financial environment.

However, the Board identified the importance of developing extra appropriate accommodation for young women in the community. The decision was taken to use £935k of cash reserves as a grant to Kisharon Charitable Trust to construct a house for 5 women. The rental income will be used to replace the lost element of reserves. The grant was offset by the operating surplus of £457k. As at 31 August 2021 the charity had £1751k in Unrestricted Funds representing approximately 5 months of essential expenditure on charitable activities.

Cash balances vary significantly in line with fundraising activity and school terms but the charity aims to have a minimum of two months' payroll expenditure in hand at any month end. Forecasts indicate that this will be achieved throughout 2021/22.

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Risk Management

The Trustees have identified and reviewed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems are in place to manage those risks. The trustees review such risks on a regular basis.

PLANS FOR FUTURE PERIODS

During the next financial year it is intended to:

- Support the school through its transitional period as it expands its pupil roll in the new accommodation;
- Make significant progress in the transformation of Day Opportunities and the social enterprise model in accordance with Board policy;
- Refine and implement those software improvements identified;
- Finalise the agreement with the Industrial Dwellings Society for the development of the Finchley Road site and prepare the planning submission.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

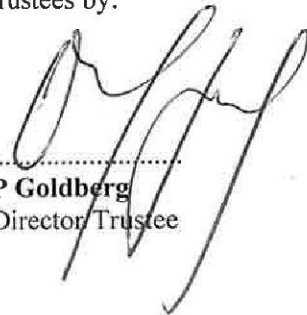
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

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TRUSTEES ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021**

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 23 May 2022 and signed on behalf of the board of trustees by:



.....
P Goldberg
Director/Trustee

**KISHARON
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KISHARON
YEAR ENDED 31 AUGUST 2021**

OPINION

We have audited the financial statements of Kisharon (the 'parent company') and its subsidiary (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared with the requirements of the Companies Act 2006.

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 auditor's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, due to the current macro-economic impact of the Covid-19 pandemic and the higher level of uncertainty observed in the economy, including the uncertainty surrounding Brexit and the associated potential financial costs, we cannot predict all future events or conditions. As

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KISHARON
YEAR ENDED 31 AUGUST 2021**

subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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

**KISHARON
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KISHARON

YEAR ENDED 31 AUGUST 2021

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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KISHARON
YEAR ENDED 31 AUGUST 2021**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

23 May 2022



DAVID GOLDBERG
(Senior Statutory Auditor)
For and on behalf of
COHEN ARNOLD
Chartered Accountants
& Statutory Auditor

KISHARON
(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS					
Charitable activities	4	4,253,738	-	4,253,738	4,239,175
Donations and legacies	5	2,686,430	91,549	2,777,979	3,894,413
Other trading activities: Social enterprise	6	528,474	-	528,474	486,998
TOTAL INCOME		<u>7,468,642</u>	<u>91,549</u>	<u>7,560,191</u>	<u>8,620,586</u>
EXPENDITURE					
Expenditure on charitable activities	7/8	(6,040,603)	(91,549)	(6,132,152)	(7,421,303)
Expenditure on raising funds:					
Costs of raising donations and legacies	9	(358,268)	-	(358,268)	(352,929)
Social enterprise costs	10	(612,366)	-	(612,366)	(603,549)
TOTAL		<u>(7,011,237)</u>	<u>(91,549)</u>	<u>(7,102,786)</u>	<u>(8,377,781)</u>
NET INCOME		457,405	-	457,405	242,805
Supported living grant	11	(935,000)	-	(935,000)	-
NET (DEFICIT) / INCOME AFTER GRANT		(477,595)	-	(477,595)	242,805
RECONCILIATION OF FUNDS					
Total funds brought forward		2,228,816	-	2,228,816	1,986,011
TOTAL FUNDS CARRIED FORWARD		<u>1,751,221</u>	<u>-</u>	<u>1,751,221</u>	<u>2,228,816</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 18 to 29 form part of these financial statements.

KISHARON
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CONSOLIDATED BALANCE SHEET
31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible Assets	15	252,820	183,959
CURRENT ASSETS			
Stock		29,358	34,131
Debtors	17	1,454,149	1,952,364
Cash at Bank		634,321	904,451
		<u>2,117,828</u>	<u>2,890,946</u>
CREDITORS: Amounts falling due within one year	18	<u>(619,427)</u>	<u>(846,089)</u>
NET CURRENT ASSETS		1,498,401	2,044,857
TOTAL ASSETS LESS CURRENT LIABILITIES		1,751,221	2,228,816
NET ASSETS		1,751,221	2,228,816
FUNDS			
Restricted Income Funds	19	—	—
Unrestricted Income Funds	20	1,751,221	2,228,816
TOTAL FUNDS		1,751,221	2,228,816

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 May 2022, and are signed on behalf of the board by:



.....
P GOLDBERG
 Director/Trustee

Company Registration Number: 1259900

The notes on pages 18 to 29 form part of these financial statements.

**KISHARON
(LIMITED BY GUARANTEE)**

BALANCE SHEET

31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible Assets	15	105,507	28,793
Investments	16	1	1
		<u>105,508</u>	<u>28,794</u>
CURRENT ASSETS			
Debtors	17	1,606,582	2,102,265
Cash at Bank		<u>562,174</u>	<u>879,739</u>
		2,168,756	2,982,004
CREDITORS: Amounts falling due within one year	18	<u>(525,736)</u>	<u>(783,566)</u>
NET CURRENT ASSETS		1,643,020	2,198,438
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,748,528</u>	<u>2,227,232</u>
NET ASSETS		<u>1,748,528</u>	<u>2,227,232</u>
FUNDS			
Restricted Income Funds	19	-	-
Unrestricted Income Funds	20	1,748,528	2,227,232
TOTAL FUNDS		<u>1,748,528</u>	<u>2,227,232</u>

The Charity's own net deficit for the year was £478,703 (2020: £243,355 surplus) after the grant of £935,000 to Kisharon Charitable Trust.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 May 2022, and are signed on behalf of the board by:

.....
P GOLDBERG
Director/Trustee

Company Registration Number: 1259900

The notes on pages 18 to 29 form part of these financial statements.

KISHARON
(LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	(477,595)	242,805
<i>Adjustments for:</i>		
Loss on disposal of tangible fixed assets	-	548
Depreciation of tangible fixed assets	49,797	38,177
Interest receivable and similar income	-	-
<i>Changes in:</i>		
Stock	4,773	(3,417)
Trade and other debtors	498,215	124,258
Trade and other creditors	(226,662)	240,438
Cash generated from operations	(151,472)	642,809
Interest received	-	-
Net cash from operating activities	<u>(151,472)</u>	<u>642,809</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(118,658)	(26,740)
Net cash used in investing activities	<u>(118,658)</u>	<u>(26,740)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(270,130)	616,069
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>904,451</u>	<u>288,382</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>634,321</u>	<u>904,451</u>

The notes on pages 18 to 29 form part of these financial statements.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

1. GENERAL INFORMATION

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is First Floor, 333 Edgware Road, London NW9 6TD.

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.

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

The charity constitutes a public benefit entity as defined by FRS102.

Consolidation

The group financial statements incorporate the audited financial statements of the company and its wholly owned subsidiary, Kisharon Enterprises Limited, whose financial statements are made up to the same date as the holding company 31 August 2021.

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

3. ACCOUNTING POLICIES *(continued)*

Going Concern

The trustees are of the opinion that despite the uncertainties caused by the coronavirus pandemic, with a robust business continuity plan and existing reserves Kisharon is able to continue as a going concern.

It has been the absolute commitment of the trustees to maintain the safety of, and to provide support to, our beneficiaries throughout this unprecedented period. The transfer of our fundraising focus to an online offering has proved effective over the last two pandemic-affected years. Plans are in place to maintain all services throughout 2022/23 as the charity emerges from the pandemic. Those plans remain dependent on the continued support of our generous community.

Incoming resources

All income is 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.

Grants and donations

Grants and donations are only included in the statement of financial activities when the Charity has unconditional entitlement to the resources. Donations represent voluntary amounts received during the year.

Legacies

Legacies are included in the Financial Statements as soon as their receipt can be anticipated with a high degree of certainty. This frequently coincides with the funds being received.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in the furtherance of the general objectives of the Charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors.

Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes. There are no Designated Funds as at the Balance Sheet date.

Expenditure

Expenditure is charged on an accruals basis and allocated to the appropriate headings in the accounts.

The majority of costs are directly attributable to specific activities. Costs incurred in respect of the charitable activities include elements of staff costs and attributable support costs.

Support costs

Support costs are those costs which are common to all areas of the organisation. These are allocated across all areas of activity on the basis of time and other resources dedicated to the respective services.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

Governance costs

Governance costs are associated with the governance arrangements of the Company and Charity and relate to the general running of both. These costs include audit, legal advice for Trustees and costs associated with meeting constitutional and statutory requirements such as the cost of Trustee meetings and the preparation of the statutory accounts.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Equipment and software	20% reducing balance
Motor Vehicles	25% straight line
Property Improvement	20% straight line or over the life of the lease

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Total Funds 2021	Total Funds Unrestricted 2020
	£	£	£
Amounts from Local Authorities	3,980,716	3,967,811	3,967,811
Parental Contributions	173,998	173,998	164,405
Covid-19 Funding	99,024	99,024	106,959
	<u>4,253,738</u>	<u>4,253,738</u>	<u>4,239,175</u>

5. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Donations				
General Donations	2,435,298	91,549	2,526,847	1,879,402
Capital Donations (note 24)	-	-	-	1,850,267
Legacies				
Legacies	65,600	-	65,600	5,000
Sponsorship				
Sponsorship Income	34,774	-	34,774	25,448
Other income				
Appeals	150,758	-	150,758	134,296
	<u>2,686,430</u>	<u>91,549</u>	<u>2,777,979</u>	<u>3,894,413</u>

Of the £3,894,413 received in 2020, £2,044,146 was unrestricted funds and £1,850,267 was restricted funds.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

6. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Total Funds 2021	Total Funds Unrestricted 2020
	£	£	£
Social enterprise income	528,474	528,474	486,998

7. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Educational Services	327,275	29,152	356,427	216,460
Kisharon Academy Trust subsidy	482,741	-	482,741	148,644
Adult Day Services	1,004,360	-	1,004,360	970,786
Supported Living	2,952,051	62,397	3,014,448	2,997,893
Donations transferred (note 24)	-	-	-	1,850,267
Support costs	1,274,176	-	1,274,176	1,237,253
	<u>6,040,603</u>	<u>91,549</u>	<u>6,132,152</u>	<u>7,421,303</u>

Of the £7,421,303 expenditure in 2020, £5,571,036 was charged to unrestricted funds and £1,850,267 to restricted funds.

8. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total Funds 2021	Total Funds 2020
	£	£	£	£
Educational Services	356,427	77,521	433,948	455,244
Kisharon Academy Trust subsidy	482,741	-	482,741	148,644
Adult Day Services	1,004,360	286,170	1,290,530	1,271,071
Supported Living	3,014,448	886,973	3,901,421	3,829,721
Donations transferred (note 24)	-	-	-	1,850,267
Governance costs	-	23,512	23,512	15,000
	<u>4,857,976</u>	<u>1,274,176</u>	<u>6,132,152</u>	<u>7,421,303</u>

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

9. COSTS OF RAISING DONATIONS AND LEGACIES

	Unrestricted Funds	Total Funds 2021	Total Funds Unrestricted 2020
	£	£	£
Fundraising costs	213,624	213,624	264,600
Sponsorships, Appeals and Events	144,644	144,644	88,329
	<u>358,268</u>	<u>358,268</u>	<u>352,929</u>

10. COSTS OF OTHER TRADING ACTIVITIES

	Unrestricted Funds	Total Funds 2021	Total Funds Unrestricted 2020
	£	£	£
Social enterprise costs	612,366	612,366	603,549

11. SUPPORTED LIVING GRANT

Supported Living Grant is a donation of £935,000 to Kisharon Charitable Trust to fund the development costs of the new supported living accommodation on Decoy Avenue, London NW11.

12. NET INCOME FOR THE YEAR

This is stated after charging:

	2021	2020
	£	£
Depreciation (note 15)	49,797	38,177
Auditor's fees	<u>21,600</u>	<u>15,000</u>

13. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	2,977,657	3,074,808
Social security costs	290,728	277,381
Pension costs	61,940	156,518
	<u>3,330,325</u>	<u>3,508,707</u>

Particulars of employees:

	2021	2020
	No	No
Number of Full Time Staff	65	66
Number of Part Time Staff	<u>60</u>	<u>61</u>
	<u>125</u>	<u>127</u>

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	No	No
£70,000 to £79,999	1	1
£80,000 to £89,999	1	1
£90,000 to £99,999	-	-
£100,000 to £109,999	-	-
£110,000 to £119,999	1	1
	<u>1</u>	<u>1</u>

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £417,105 (2020: £395,685).

14. TRUSTEE REMUNERATION AND EXPENSES

No trustees received any remuneration during the year (2020: £Nil). The charity did not meet any individual expenses incurred by the trustees for services provided to the charity.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

15. TANGIBLE FIXED ASSETS

Group

	Equipment and software £	Motor Vehicles £	Property Improvement £	Total £
COST				
At 1 September 2020	25,000	166,820	394,501	586,321
Additions	105,286	13,372	-	118,658
Disposals	-	-	-	-
At 31 August 2021	130,286	180,192	394,501	704,979
DEPRECIATION				
At 1 September 2020	14,000	147,266	241,096	402,362
Charge for the year	23,257	9,098	17,442	49,797
Disposals	-	-	-	-
At 31 August 2021	37,257	156,364	258,538	452,159
NET BOOK VALUE				
At 31 August 2021	93,029	23,828	135,963	252,820
At 31 August 2020	11,000	19,554	153,405	183,959

Company

	Equipment and software £	Motor Vehicles £	Property Improvement £	Total £
COST				
At 1 September 2020	25,000	164,535	169,513	359,048
Additions	105,286	-	-	105,286
Disposals	-	-	-	-
At 31 August 2021	130,286	164,535	169,513	464,334
DEPRECIATION				
At 1 September 2020	14,000	146,742	169,513	330,255
Charge for the year	23,257	5,315	-	28,572
Disposals	-	-	-	-
At 31 August 2021	37,257	152,057	169,513	358,827
NET BOOK VALUE				
At 31 August 2021	93,029	12,478	-	105,507
At 31 August 2020	11,000	17,793	-	28,793

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

16. INVESTMENTS

Movement in market value

	2021 £	2020 £
Market value at 1 September 2020	<u>1</u>	<u>1</u>
Market value at 31 August 2021	<u>1</u>	<u>1</u>
Historical cost at 31 August 2021	<u>1</u>	<u>1</u>

Analysis of investments at 31 August 2021 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Other investments				
UK Group undertakings	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

The subsidiary undertaking, Kisharon Enterprises Limited, is a wholly owned trading company, incorporated and registered in England and Wales, whose registered address is First Floor, 333 Edgware Road, London NW9 6TD. The aggregate capital and reserves as at 31 August 2021 totalled £2,694. The loss for the year totalled £83,892.

17. DEBTORS

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Local Authority debtors	744,371	938,903	729,915	911,870
Amounts owed by group undertakings	-	-	194,004	196,948
Other debtors	417,409	667,833	400,522	664,583
Prepayments and accrued income	292,369	345,628	282,141	328,864
	<u>1,454,149</u>	<u>1,952,364</u>	<u>1,606,582</u>	<u>2,102,265</u>

Amounts owed by group undertakings relates to Kisharon Enterprises Limited, a wholly owned subsidiary of Kisharon.

See note 24 for related party transactions included in other debtors.

18. CREDITORS: Amounts falling due within one year

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	239,104	201,187	209,870	180,833
PAYE and social security	82,449	88,959	68,392	77,377
Accruals and deferred income	283,873	215,293	234,567	185,753
Other creditors	14,001	340,650	12,907	339,603
	<u>619,427</u>	<u>846,089</u>	<u>525,736</u>	<u>783,566</u>

See note 24 for related party transactions included in other creditors.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

19. RESTRICTED INCOME FUNDS

Group and Company

	Balance at 1 Sep 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2021 £
Restricted Fund	-	91,549	(91,549)	-	-

	Balance at 1 Sep 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2020 £
Restricted Fund	-	1,850,267	(1,850,267)	-	-

20. UNRESTRICTED INCOME FUNDS

Group

	Balance at 1 Sep 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2021 £
General Funds	2,228,816	7,560,191	(8,037,786)	-	1,751,221

	Balance at 1 Sep 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2020 £
General Funds	1,986,011	6,770,319	(6,527,514)	-	2,228,816

Company

	Balance at 1 Sep 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2021 £
General Funds	2,227,232	7,031,716	(7,510,420)	-	1,748,528

	Balance at 1 Sep 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2020 £
General Funds	1,983,876	6,283,321	(6,039,965)	-	2,227,232

Transfer between funds relates to restricted funds which were spent in a prior year and capital items funded by restricted donations where there are no further conditions attached.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group

	Tangible fixed assets £	Current assets £	Current liabilities £	Total 2021 £
Restricted Income Funds	-	-	-	-
Unrestricted Income Funds	<u>252,820</u>	<u>2,117,828</u>	<u>(619,427)</u>	<u>1,751,221</u>
Total Funds	<u>252,820</u>	<u>2,117,828</u>	<u>(619,427)</u>	<u>1,751,221</u>

Company

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total 2021 £
Restricted Income Funds	-	-	-	-	-
Unrestricted Income Funds	<u>105,507</u>	<u>1</u>	<u>2,168,756</u>	<u>(525,736)</u>	<u>1,748,528</u>
Total Funds	<u>105,507</u>	<u>1</u>	<u>2,168,756</u>	<u>(525,736)</u>	<u>1,748,528</u>

Group

	Tangible fixed assets £	Current assets £	Current liabilities £	Total 2020 £
Restricted Income Funds	-	-	-	-
Unrestricted Income Funds	<u>183,959</u>	<u>2,890,946</u>	<u>(846,089)</u>	<u>2,228,816</u>
Total Funds	<u>183,959</u>	<u>2,890,946</u>	<u>(846,089)</u>	<u>2,228,816</u>

Company

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total 2020 £
Restricted Income Funds	-	-	-	-	-
Unrestricted Income Funds	<u>28,793</u>	<u>1</u>	<u>2,982,004</u>	<u>(783,566)</u>	<u>2,227,232</u>
Total Funds	<u>28,793</u>	<u>1</u>	<u>2,982,004</u>	<u>(783,566)</u>	<u>2,227,232</u>

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

22. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	99,994	99,994
Later than 1 year and not later than 5 years	29,165	129,159
	<u>129,159</u>	<u>229,153</u>

23. ANALYSIS OF CHANGES IN NET DEBT

Group

	At 1 Sep 2020 £	Cash flows £	At 31 Aug 2021 £
Cash in hand and at bank	904,451	(270,130)	634,321
Debt due within one year	(326,075)	326,075	-
Debt due after one year	-	-	-
	<u>578,376</u>	<u>55,945</u>	<u>634,321</u>

24. RELATED PARTY TRANSACTIONS

Kisharon is related to a charity, Kisharon Charitable Trust, of which four of the Trustees are also Trustees of Kisharon. Kisharon Charitable Trust owns the freehold properties which are operated by Kisharon in furtherance of the objectives of the two entities.

During the year rent of £171,000 (2020: £131,000) was payable to Kisharon Charitable Trust for the rent of various premises used by Kisharon.

Under the terms of a tripartite supplemental land agreement between Kisharon Charitable Trust, Kisharon Academy Trust and the Secretary of State for Education, Kisharon Academy Trust is permitted to build and manage Kisharon School on the Parson Street site, owned by Kisharon Charitable Trust, in accordance with the terms of the single academy funding agreement with the Secretary of State.

Capital Donations (note 5) is income of £0 (2020: £1,850,267), representing pledges from individuals and charities for the new school building project, which was received by Kisharon and transferred to Kisharon Academy Trust during the year.

Other debtors include an amount of £31,812 (2020: £628,282) due from Kisharon Academy Trust in respect of costs incurred relating to the new school building project. The amount is expected to be repaid at the end of the project.

Other debtors include an amount of £368,509 (2020: £326,075 creditors) due from Kisharon Charitable Trust.

KISHARON
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

25. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

KISHARON
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
YEAR ENDED 31 AUGUST 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	2,686,430	91,549	2,777,979	3,894,413
Charitable activities	6	4,253,738	—	4,253,738	4,239,175
Total income		<u>6,940,168</u>	<u>91,549</u>	<u>7,031,717</u>	<u>8,133,588</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	7	(358,268)	—	(358,268)	(352,929)
Expenditure on charitable activities	8,9	(6,040,603)	(91,549)	(6,132,152)	(7,421,304)
Other expenditure	10	(85,000)	—	(85,000)	(116,000)
Total		<u>(6,483,871)</u>	<u>(91,549)</u>	<u>(6,575,420)</u>	<u>(7,890,233)</u>
Net income		<u>456,297</u>	<u>—</u>	<u>456,297</u>	<u>243,355</u>
Supported living grant	11	(935,000)	—	(935,000)	—
Net (deficit) / income after grant		<u>(478,703)</u>	<u>—</u>	<u>(478,703)</u>	<u>243,355</u>
Reconciliation of funds					
Total funds brought forward		<u>2,227,231</u>	<u>—</u>	<u>2,227,231</u>	<u>1,983,876</u>
Total funds carried forward		<u>1,748,528</u>	<u>—</u>	<u>1,748,528</u>	<u>2,227,231</u>