

Agudas Israel Community Services
Unaudited Financial Statements
5 April 2021

SUGARWHITE MEYER HS ACCOUNTANTS LTD

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Agudas Israel Community Services

Financial Statements

Year ended 5 April 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	5
Statement of financial activities	6
Statement of financial position	7
Notes to the financial statements	8

Agudas Israel Community Services

Trustees' Annual Report

Year ended 5 April 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2021.

Reference and administrative details

Registered charity name	Agudas Israel Community Services
Charity registration number	287367
Principal office	97 Stamford Hill N16 5DN London

The trustees

C Pinter
J.D. Schleider
R Grussgott

Company secretary R Erlich (Mrs.)

Independent examiner M.M. Hager FCCA FAPA
First Floor
94 Stamford Hill
London
N16 6XS

Structure, governance and management

Governing document

The charity was constituted by Declaration of Trust dated 15th May 1983.

Organisational structure

The trustees and administrator meet regularly in order to ensure that the charity runs smoothly and that all activities are run efficiently, as well as to deal with issues as they arise, and to pre-empt potential problems before they develop. They plan both current and future strategy, balancing the developing and increasing needs of the community with the resources of Agudas Israel Community Services.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Agudas Israel Community Services

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Objectives and activities

Charitable objectives

The objectives of Agudas Israel Community Services (AICS) are to assist vulnerable members of the community by providing information and support to enable them to make the most of available resources as well as of their own strengths and abilities to improve their lives and those of their families.

The charity operates an advice services, providing a wide range of benefits, immigration and employment advice, as well as an employment facility and other services including a number of training opportunities in partnership with other local organisations focusing on employment skills such as CV writing and interview techniques.

Public benefit

The trustees of the charity confirm that they have considered The Charity Commission's general guidance on public benefit and the requirements of Section 4 of the Charities Act 2011 in this area, in particular public benefit guidance on relief of unemployment, when reviewing the charity's aims and objectives, and in planning future activities for the year.

Achievements and performance

The past year has inevitably been adversely affected by Covid 19; we have nevertheless persevered and provided an ongoing service throughout the pandemic. There was a tangible increase in calls, exacerbated by the changes and restrictions caused by the pandemic, and the unavailability of face to face visits. Once we reopened our offices to the public, we temporarily ceased our drop-in sessions and operated visits by appointment only. This enabled us to ensure that no more than one or two persons were waiting in our offices at any one time, so that we could conform to social distancing measures and protect both our staff and service users.

One of our Advice Workers needed to continue shielding and was unable to return until the Summer 2021. This caused added pressure on our services, and we were often booked ahead for several weeks. We are aware of the high demand for our services, and the distress that having to wait for appointments can cause, but due to financial constraints we are currently unable to provide more capacity.

As the community grows exponentially, we are experiencing an increased demand for our services, especially as we are the only organisation in the area providing expert advice in Hebrew and Yiddish as well as English, in a culturally appropriate setting. Additionally, the government's introduction of a Benefit Cap, as well as the restriction of Child Tax credits and Universal Credit to 2 children per family, disproportionately affects our community, where larger families are the norm.

Agudas Israel Community Services

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Achievements and performance *(continued)*

We have continued to run a weekly surgery in North West London, and there is a continued high demand for appointments

We have a very high level of customer satisfaction and are proud of the professional service we provide. We would ideally like to increase our capacity and reach to meet the growing need for our services, but in our current financial situation this remains a dream for the future.

Financial review

This year has been particularly difficult for the organisation, particularly as it followed a year in which we lost our main source of funding. Fundraising has become particularly difficult in this climate and we are hoping the coming year will bring us more opportunities to increase our funding and enable us to continue helping those who need it most.

Reserve policy

It is the charity's policy that only funds that have cleared the bank be allowed to be used as payment for direct charitable and governance expenses. The trustees therefore ensure that the charity retains sufficient funds to cover immediate anticipated outgoings. They have contact at all times with potential donors who are able to assist with the charity's requirements.

Agudas Israel Community Services

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Plans for future periods

AICS's plans for the future are to continue to support the most vulnerable members of the community by providing time appropriate advice in the fields in which it has developed high levels of expertise. Advisors continue to attend in service training to ensure that their knowledge and skills are kept up to date in a rapidly changing climate.

It continues to remain our priority to increase fundraising activities, bearing in mind that we are providing essential and otherwise inaccessible services to the most needy members of our community and to their families. The demand is increasing as the government continues to cut the resources available and as the community grows. We are mindful of the fact that we are the only available resource for this community for benefits, immigration and employment advice and support, and take our responsibilities seriously. We look to the wider community to support us in our work and enabling members of the community and their families to live their lives with dignity, and to be able to access the minimal resources they need to survive in the increasingly challenging environment of our times.

The trustees' annual report was approved on 24 May 2021 and signed on behalf of the board of trustees by:

J.D. Schleider
Trustee

R Erblich (Mrs.)
Charity Secretary

Agudas Israel Community Services

Independent Examiner's Report to the Trustees of Agudas Israel Community Services

Year ended 5 April 2021

I report to the trustees on my examination of the financial statements of Agudas Israel Community Services ('the charity') for the year ended 5 April 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

M.M. Hager FCCA FAPA
Independent Examiner

First Floor
94 Stamford Hill
London
N16 6XS

Agudas Israel Community Services

Statement of Financial Activities

Year ended 5 April 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies		58,744	58,744	156,974
Other income	4	39,543	39,543	—
Total income		<u>98,287</u>	<u>98,287</u>	<u>156,974</u>
Expenditure				
Expenditure on charitable activities	5,6	124,686	124,686	152,938
Total expenditure		<u>124,686</u>	<u>124,686</u>	<u>152,938</u>
Net (expenditure)/income and net movement in funds		<u>(26,399)</u>	<u>(26,399)</u>	<u>4,036</u>
Reconciliation of funds				
Total funds brought forward		15,566	15,566	11,530
Total funds carried forward		<u>(10,833)</u>	<u>(10,833)</u>	<u>15,566</u>

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

The notes on pages 8 to 14 form part of these financial statements.

Agudas Israel Community Services

Statement of Financial Position

5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	12	11,801	12,422
Current assets			
Cash at bank and in hand		8,430	11,022
Creditors: amounts falling due within one year	13	31,064	7,878
Net current liabilities		(22,634)	3,144
Total assets less current liabilities		(10,833)	15,566
Net liabilities		(10,833)	15,566
Funds of the charity			
Unrestricted funds		(10,833)	15,566
Total charity funds	15	(10,833)	15,566

These financial statements were approved by the board of trustees and authorised for issue on 24 May 2021, and are signed on behalf of the board by:

R Erblich
Administrator

The notes on pages 8 to 14 form part of these financial statements.

Agudas Israel Community Services

Notes to the Financial Statements

Year ended 5 April 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 97 Stamford Hill, London, N16 5DN.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

No cash flow statement has been presented for the company.

Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Tangible assets

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

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

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:

Equipment - 5% reducing balance

Impairment of fixed assets

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

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

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

Financial instruments

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

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

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

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

4. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income	39,543	39,543	—	—

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Employment & Social Services Advice	108,075	108,075	126,494	126,494
Support costs	16,611	16,611	26,444	26,444
	<u>124,686</u>	<u>124,686</u>	<u>152,938</u>	<u>152,938</u>

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

6. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Employment & Social Services Advice	108,075	13,971	122,046	150,995
Governance costs	—	2,640	2,640	1,943
	<u>108,075</u>	<u>16,611</u>	<u>124,686</u>	<u>152,938</u>

7. Analysis of support costs

	Employment & Social Services advice	Total 2021	Total 2020
	£	£	£
General office	13,107	13,107	23,938
Finance costs	243	243	(91)
Governance costs	2,640	2,640	1,944
Depreciation charge	621	621	654
	<u>16,611</u>	<u>16,611</u>	<u>26,445</u>

8. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>621</u>	<u>654</u>

9. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,640</u>	<u>3,744</u>

10. Staff costs

The average head count of employees during the year was 6 (2020: 8).

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

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

11. Trustee remuneration and expenses

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

No trustee expenses have been incurred.

12. Tangible fixed assets

	Equipment £
Cost	
At 6 April 2020 and 5 April 2021	<u>31,827</u>
Depreciation	
At 6 April 2020	19,405
Charge for the year	621
At 5 April 2021	<u>20,026</u>
Carrying amount	
At 5 April 2021	<u>11,801</u>
At 5 April 2020	<u>12,422</u>

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,640	1,944
Social security and other taxes	424	731
Net Wages control	—	2,203
Other creditors	25,000	—
Other creditors	<u>3,000</u>	<u>3,000</u>
	<u>31,064</u>	<u>7,878</u>

14. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £941 (2020: £1,144).

Agudas Israel Community Services

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

15. Analysis of charitable funds

Unrestricted funds

	At 6 April 2020 £	Income £	Expenditure £	At 5 April 2021 £
General funds	<u>15,566</u>	<u>98,287</u>	<u>(124,686)</u>	<u>(10,833)</u>
	At 6 April 2019 £	Income £	Expenditure £	At 5 April 2020 £
General funds	<u>11,530</u>	<u>156,974</u>	<u>(152,938)</u>	<u>15,566</u>

16. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	11,801	11,801
Current assets	8,430	8,430
Creditors less than 1 year	<u>(31,064)</u>	<u>(31,064)</u>
Net liabilities	<u>(10,833)</u>	<u>(10,833)</u>
	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	12,422	12,422
Current assets	11,022	11,022
Creditors less than 1 year	<u>(7,878)</u>	<u>(7,878)</u>
Net liabilities	<u>15,566</u>	<u>15,566</u>