

Charity Registration No. 1123950

Company Registration No. 06545357 (England and Wales)

EDGWARE ADATH YISROEL CONGREGATION LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

PAGES FOR FILING WITH REGISTRAR

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

D Gillis
A Kleinman
D Waterman
A H Wolfson
S D Dryer
J M Sobel
A B Sweiry
J Savery
S Cohen
S Diston
J F Palmer
R A Goldmeier

(Appointed 9 December
2020)

Secretary

D Gillis

Charity number

1123950

Company number

06545357

Auditor

Glazers
843 Finchley Road
London
NW11 8NA

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

| | Page |
|---|-------------|
| Trustees' report | 1 - 3 |
| Statement of trustees' responsibilities | 4 |
| Independent auditor's report | 5 - 7 |
| Statement of financial activities | 8 |
| Balance sheet | 9 |
| Statement of cash flows | 10 |
| Notes to the financial statements | 11 - 20 |

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015.

Objectives and activities

The organisation exists to manage and administer the Edgware Adath Yisroel Congregation (EAYC) Synagogue, and to advance orthodox Jewish religion and orthodox Jewish religious education.

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

The main function has been to ensure the continued running of the Synagogue in all its facets.

EAYC runs the EAYC nursery through a separately appointed Board of Governors.

There is an active education committee who arrange learning activities at all levels for all ages.

EAYC runs a charitable fund designed to help those in need within the community and collects funds for distribution to independent charities engaged in either Jewish religious education or the relief of poverty.

All the services provided by the Synagogue are available to the community without charge.

EAYC is fortunate enough to have been the beneficiary of a security grant aggregating £51,891 from the Community Security Trust, a registered charity, to assist in covering the cost of securing the synagogue premises.

Achievements and performance

EAYC has continued to provide a high quality service to the community and a range of events and services with a welcoming atmosphere. The outbreak of Coronavirus in the last six months of the financial year has had a notable impact on the charity's finances. The synagogue and the nursery were closed for an extended period of time and this impacted on the incoming resources of the charity. The charity was able to make use of the coronavirus job retention scheme to lessen the impact.

Financial review

EAYC continues to operate a surplus across its activities. The financial results for the period under review are set out in the attached financial statements together with the notes thereon.

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

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

General running expenses of the Synagogue have historically been covered by membership and general donations and the Council of Management see no reason why this should not continue in the future. The loan with Barclays Bank plc is secured against the freehold property. The Trustees consider that ongoing pledges and building fund commitments made by members and other well-wishers, together with future fundraising activities, will be sufficient to cover this arrangement.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

The charity is a company limited by guarantee, registered at Companies House on 26 March 2008. The operation of the organisation is controlled by its Memorandum and Articles of Association which were adopted by the members on 31 March 2008.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|-----------------|-----------------------------|
| D Gillis | |
| A Kleinman | |
| D Waterman | |
| A H Wolfson | |
| M M M Grunewald | (Resigned 9 December 2020) |
| S D Dryer | |
| R J Joseph | (Resigned 9 December 2020) |
| J R Raivid | (Resigned 9 December 2020) |
| J M Sobel | |
| A B Sweiry | |
| J Savery | |
| S Cohen | |
| D M Wynne | (Resigned 9 December 2020) |
| S Diston | |
| J F Palmer | |
| R A Goldmeier | (Appointed 9 December 2020) |

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company. All members of the company guarantee to contribute £1 in the event of a winding up.

A Council of Management consisting of two wardens, two joint treasurers, and an honorary secretary (referred to as the Honorary Officers) and eight other persons are elected each year at the Annual General Meeting. In addition to their appointment as the Council of Management, each person elected is a director of the company and effectively then becomes a trustee of the Charity.

There are inextricable links between EAYC and Beit Shvidler Primary School (BSPS). The Articles of Association require one member of the Council of Management to be a governor of the school, and a reciprocal arrangement exists for a nominated governor of BSPS to hold office as a trustee of the charity.

EAYC operates the EAYC nursery which has its own Board of Governors who are appointed annually at the nursery's annual general meeting. The transactions of the nursery are included in these accounts.

EAYC has connections with the Edgware Eruv Committee, registered charity number 1111850.

Auditor

The auditor, Glazers, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2020

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

D Waterman
Director
Dated: 20 August 2021

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees, who are also the directors of Edgware Adath Yisroel Congregation Limited for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

**EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE TRUSTEES OF EDGWARE ADATH YISROEL CONGREGATION LIMITED

Opinion

We have audited the financial statements of Edgware Adath Yisroel Congregation Limited (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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.

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 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.

**EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE TRUSTEES OF EDGWARE ADATH YISROEL CONGREGATION LIMITED

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Philippe Herszaft ACA (Senior Statutory Auditor)
for and on behalf of Glazers

20 August 2021

Chartered Accountants
Statutory Auditor

843 Finchley Road
London
NW11 8NA

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EDGWARE ADATH YISROEL CONGREGATION LIMITED

Glazers is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

| | | Unrestricted funds | Designated funds | Restricted funds | Total 2020 | Total 2019 |
|---|-------|-------------------------|----------------------|-----------------------|-------------------------|-------------------------|
| | Notes | £ | £ | £ | £ | £ |
| Income from: | | | | | | |
| Donations and legacies | 3 | 267,472 | - | 83,590 | 351,062 | 346,639 |
| Charitable activities | 4 | - | 138,574 | - | 138,574 | 226,010 |
| Investments | 5 | 845 | - | - | 845 | 800 |
| Coronavirus support | | 2,088 | 15,474 | - | 17,562 | - |
| Total income | | <u>270,405</u> | <u>154,048</u> | <u>83,590</u> | <u>508,043</u> | <u>573,449</u> |
| Expenditure on: | | | | | | |
| Charitable activities | 6 | 290,017 | 166,131 | 37,199 | 493,347 | 523,849 |
| Net (outgoing)/incoming resources before transfers | | (19,612) | (12,083) | 46,391 | 14,696 | 49,600 |
| Gross transfers between funds | | 25,031 | - | (25,031) | - | - |
| Net income for the year/ Net movement in funds | | 5,419 | (12,083) | 21,360 | 14,696 | 49,600 |
| Fund balances at 1 September 2019 | | <u>2,595,516</u> | <u>43,030</u> | <u>109,191</u> | <u>2,747,737</u> | <u>2,698,139</u> |
| Fund balances at 31 August 2020 | | <u><u>2,600,935</u></u> | <u><u>30,947</u></u> | <u><u>130,551</u></u> | <u><u>2,762,433</u></u> | <u><u>2,747,739</u></u> |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 2,766,701 | | 2,766,002 |
| Current assets | | | | | |
| Debtors | 11 | 83,445 | | 55,326 | |
| Cash at bank and in hand | | 291,717 | | 347,311 | |
| | | <u>375,162</u> | | <u>402,637</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(52,742)</u> | | <u>(67,383)</u> | |
| Net current assets | | | 322,420 | | 335,254 |
| Total assets less current liabilities | | | 3,089,121 | | 3,101,256 |
| Creditors: amounts falling due after more than one year | 14 | | <u>(326,688)</u> | | <u>(353,517)</u> |
| Net assets | | | <u>2,762,433</u> | | <u>2,747,739</u> |
| Income funds | | | | | |
| Restricted funds | 15 | | 130,551 | | 109,191 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 16 | 30,947 | | 43,030 | |
| General unrestricted funds | | 1,050,935 | | 1,045,518 | |
| Revaluation reserve | | <u>1,550,000</u> | | <u>1,550,000</u> | |
| | | | <u>2,631,882</u> | | <u>2,638,548</u> |
| | | | <u>2,762,433</u> | | <u>2,747,739</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 20 August 2021

D Waterman

Trustee

S Cohen

Trustee

Company Registration No. 06545357

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 20 | | (27,996) | | 79,329 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (3,415) | | (2,735) | |
| Investment income received | | 845 | | 800 | |
| Net cash used in investing activities | | | (2,570) | | (1,935) |
| Financing activities | | | | | |
| Repayment of bank loans | | (25,029) | | (23,232) | |
| Net cash used in financing activities | | | (25,029) | | (23,232) |
| Net (decrease)/increase in cash and cash equivalents | | | (55,595) | | 54,162 |
| Cash and cash equivalents at beginning of year | | | 347,311 | | 293,149 |
| Cash and cash equivalents at end of year | | | 291,717 | | 347,311 |
| CASH FLOW OUT OF BALANCE BY: | | | (1) | | - |

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Edgware Adath Yisroel Congregation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 265 Hale Lane, Edgware, Middlesex HA8 8NW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

The outbreak of the COVID-19 during 2020 has presented the charity with some challenges regarding fundraising income. In addition, the uncertainty surrounding Brexit may also impact the UK economy and sources of income for the charity. These risks are beyond the control of the charity and represent uncertainty to the income of the charity in the next 12 months and the valuation of its assets. However the charity has sufficient reserves to cover temporary loss of income and the Trustees have the ability to exercise control over the charity's expenditure. Based on this the Trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised on receipt, unless performance or other conditions require deferral.

1.5 Expenditure

The cost of renovating the property at 265 Hale Lane Edgware has been capitalised.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|-------------------|
| Land and buildings | nil |
| Fixtures, fittings & equipment | 25% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|---------------------|-----------------------|---------------------|-----------|-----------------------|---------------------|-----------|
| | 2020 £ | 2020 £ | 2020 £ | 2019 £ | 2019 £ | 2019 £ |
| Donations and gifts | 267,472 | 83,590 | 351,062 | 262,793 | 83,846 | 346,639 |

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

| | 2020 | 2019 |
|----------------|----------------|----------------|
| | £ | £ |
| Nursery income | 81,583 | 146,232 |
| Grants | 56,991 | 79,778 |
| | <u>138,574</u> | <u>226,010</u> |

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|---------------------------|---------------------------|
| | 2020 | 2019 |
| | £ | £ |
| Interest receivable | 845 | 800 |
| | <u>845</u> | <u>800</u> |

6 Charitable activities

| | Synagogue | Nursery | Restricted funds | Total 2020 | Total 2019 |
|-------------------------------------|------------------|----------------|-------------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Staff costs | 135,204 | 137,250 | - | 272,454 | 265,439 |
| Depreciation and impairment | 2,713 | - | - | 2,713 | 1,859 |
| Synagogue expenses | 150,540 | - | - | 150,540 | 155,156 |
| Nursery expenses | - | 28,881 | - | 28,881 | 44,007 |
| Restricted fund charitable expense | - | - | 24,634 | 24,634 | 41,876 |
| Bank interest | - | - | 12,565 | 12,565 | 13,952 |
| | <u>288,457</u> | <u>166,131</u> | <u>37,199</u> | <u>491,787</u> | <u>522,289</u> |
| Share of support costs (see note 7) | 1,560 | - | - | 1,560 | 1,560 |
| | <u>290,017</u> | <u>166,131</u> | <u>37,199</u> | <u>493,347</u> | <u>523,849</u> |

EAYC is fortunate enough to have been the beneficiary of a security grant aggregating £51,891 from the Community Security Trust, a registered charity, to assist in covering the costs of securing the synagogue premises.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7 Support costs

| | Support costs | Governance costs | 2020 | 2019 | Basis of allocation |
|-----------------------|---------------|------------------|-------|-------|---------------------|
| | £ | £ | £ | £ | |
| Audit fees | - | 1,560 | 1,560 | 1,560 | Governance |
| | - | 1,560 | 1,560 | 1,560 | |
| Analysed between | | | | | |
| Charitable activities | | 1,560 | 1,560 | 1,560 | Governance |

Governance costs includes payments to the auditor of £1,560 (2019- £1,500) .

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

| | 2020 Number | 2019 Number |
|-------------------------|-------------------|-------------------|
| Synagogue and welfare | 7 | 7 |
| Nursery | 13 | 17 |
| Total | 20 | 24 |
| Employment costs | 2020 £ | 2019 £ |
| Wages and salaries | 272,454 | 265,439 |

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

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

10 Tangible fixed assets

| | Land and buildings | Fixtures, fittings & equipment | Total |
|------------------------------------|--------------------|--------------------------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 September 2019 | 2,761,597 | 73,001 | 2,834,598 |
| Additions | - | 3,413 | 3,413 |
| At 31 August 2020 | 2,761,597 | 76,414 | 2,838,011 |
| Depreciation and impairment | | | |
| At 1 September 2019 | - | 68,597 | 68,597 |
| Depreciation charged in the year | - | 2,713 | 2,713 |
| At 31 August 2020 | - | 71,310 | 71,310 |
| Carrying amount | | | |
| At 31 August 2020 | 2,761,597 | 5,104 | 2,766,701 |
| At 31 August 2019 | 2,761,597 | 4,405 | 2,766,002 |

11 Debtors

| | 2020 | 2019 |
|---|--------|--------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 37,293 | 23,927 |
| Other debtors | 41,296 | 31,399 |
| Prepayments and accrued income | 4,856 | - |
| | 83,445 | 55,326 |

12 Loans and overdrafts

| | 2020 | 2019 |
|-------------------------|---------|---------|
| | £ | £ |
| Bank loans | 351,719 | 376,748 |
| Payable within one year | 25,031 | 23,231 |
| Payable after one year | 326,688 | 353,517 |

The bank loan is secured by a fixed charge over the charity's freehold property.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

13 Creditors: amounts falling due within one year

| | Notes | 2020 £ | 2019 £ |
|------------------------------------|-------|---------------|---------------|
| Bank loans | 12 | 25,031 | 23,231 |
| Other taxation and social security | | 2,859 | 4,353 |
| Trade creditors | | 7,779 | 7,351 |
| Accruals and deferred income | | 17,073 | 32,448 |
| | | <u>52,742</u> | <u>67,383</u> |

14 Creditors: amounts falling due after more than one year

| | Notes | 2020 £ | 2019 £ |
|------------|-------|----------------|----------------|
| Bank loans | 12 | <u>326,688</u> | <u>353,517</u> |

Of the above balance, £243,113 (2019 £268,144) is repayable after more than five years.

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | Movement in funds | | | |
|-------------------------------|--|----------------------------|----------------------------|----------------|--|----------------------------|----------------------------|-----------------------------------|
| | Balance at 1 September 2018 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ |
| | | | | | | | | Balance at 31 August 2020 £ |
| Building Fund account | 37,938 | 21,045 | (13,952) | (10,874) | 34,157 | 12,203 | (12,565) | (25,031) |
| Tzedakah Fund | 1,913 | - | - | - | 1,913 | - | - | - |
| Kol Nidre and related appeals | 10,676 | - | (8,218) | - | 2,458 | 14,960 | - | - |
| Rabbis fund for the needy | 15,523 | 20,145 | (6,841) | - | 28,827 | 17,861 | (8,807) | - |
| General and Baby G'Mach | 7,783 | - | - | - | 7,783 | - | - | - |
| Eruv Fund | 5,557 | 6,418 | - | - | 11,975 | 6,275 | - | - |
| Education and books fund | - | 3,914 | (6,306) | 2,392 | - | 325 | (3,053) | 2,728 |
| Sefer Torah Repair Fund | 8,236 | - | (2,300) | (2,422) | 3,514 | - | - | (2,728) |
| Board of Deputies | 1,669 | 1,757 | (1,899) | - | 1,527 | 1,969 | - | - |
| Kinche d'Pische | 54 | 15,260 | (1,800) | - | 13,514 | 17,072 | (5,000) | - |
| Youth | 2,626 | 15,308 | (14,411) | - | 3,523 | 12,926 | (7,775) | - |
| Other | 72 | - | (102) | 30 | - | - | - | - |
| | 92,047 | 83,847 | (55,829) | (10,874) | 109,191 | 83,591 | (37,200) | (25,031) |
| | | | | | | | | 130,551 |

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | | | Movement in funds | | | |
|--------------|-----------------------------------|-----------------------|-----------------------|-----------|-----------------------------------|-----------------------|-----------------------|------------------------------|
| | Balance at 1 September 2018 | Incoming resources | Resources expended | Transfers | Balance at 1 September 2019 | Incoming resources | Resources expended | Balance at 31 August 2020 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| EAYC Nursery | 16,436 | 226,010 | (187,416) | (12,000) | 43,030 | 154,048 | (166,131) | 30,947 |
| | 16,436 | 226,010 | (187,416) | (12,000) | 43,030 | 154,048 | (166,131) | 30,947 |

17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

| | Unrestricted funds 2020 | Designated funds 2020 | Restricted funds 2020 | Total 2020 | Unrestricted funds 2019 | Designated funds 2019 | Restricted funds 2019 | Total 2019 |
|------------------------------|-------------------------------|-----------------------------|-----------------------------|---------------|-------------------------------|-----------------------------|-----------------------------|---------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Tangible assets | 2,766,701 | - | - | 2,766,701 | 2,766,002 | - | - | 2,766,002 |
| Current assets/(liabilities) | 160,922 | 30,947 | 130,551 | 322,420 | 183,033 | 43,030 | 109,191 | 335,254 |
| Long term liabilities | (326,688) | - | - | (326,688) | (353,517) | - | - | (353,517) |
| | 2,600,935 | 30,947 | 130,551 | 2,762,433 | 2,595,518 | 43,030 | 109,191 | 2,747,739 |

EDGWARE ADATH YISROEL CONGREGATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18 Audit report information

The auditor's report was unqualified.

Philippe Herszaft ACA (Senior Statutory Auditor)
Glazers

Chartered Accountants
Statutory Auditor

19 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

| 20 Cash generated from operations | 2020 | 2019 |
|---|-----------------|---------------|
| | £ | £ |
| Surplus for the year | 14,696 | 49,600 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (845) | (800) |
| Depreciation and impairment of tangible fixed assets | 2,713 | 1,859 |
| Movements in working capital: | | |
| (Increase)/decrease in debtors | (28,119) | 19,467 |
| (Decrease)/increase in creditors | (16,441) | 9,203 |
| Cash (absorbed by)/generated from operations | (27,996) | 79,329 |

21 Analysis of changes in net (debt)/funds

| | At 1 September 2019 | Cash flows At 31 August 2020 | |
|--|--------------------------------|-------------------------------------|-----------------|
| | £ | £ | £ |
| Cash at bank and in hand | 347,311 | (55,594) | 291,717 |
| Loans falling due within one year | (23,231) | (1,800) | (25,031) |
| Loans falling due after more than one year | (353,517) | 26,829 | (326,688) |
| | (29,437) | (30,565) | (60,002) |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.