

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 5 APRIL 2017  
FOR  
NER YISROEL EDUCATIONAL TRUST

Melinek Fine LLP  
Chartered Accountants  
Statutory Auditors  
First Floor, Winston House  
349 Regents Park Road  
London  
N3 1DH

NER YISROEL EDUCATIONAL TRUST  
CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2017

---

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 19

# NER YISROEL EDUCATIONAL TRUST

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2017

---

The trustees present their annual report together with the audited financial statements of Ner Yisroel Educational Trust (the charity) for the year ended 5 April 2017. The trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### OBJECTIVES AND ACTIVITIES

Objectives, development, activities and achievements in the year

Each year the trustees review the objectives and activities of the charity to ensure they are consistent. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for public benefit.

Ner Yisroel has continued to offer a varied programme of events for the community in addition to daily weekday and full Sabbath prayer services for all ages, including children and youth. Our Rav, Rabbi Alan Kimche, supported by our associate Rabbi - Rabbi Zabin, offers leadership and guidance in spiritual matters and members of the community assist in the conduct of services.

The Ner Campus is in use every day of the year for community-based activities, as well as for hire and lettings to outside organisations, and for life cycle celebrations, including a local nursery. There are also a number of regular high level study groups in matters of Jewish tradition, philosophy, law and practice.

A wide range of external speakers are also arranged throughout the year.

### ACHIEVEMENT AND PERFORMANCE

Transactions and financial position

Financial matters are run by the treasurer, with the assistance of other Board members and member volunteers as needed.

The Statement of Financial Affairs shows a net surplus for the year of 2017: £79,717 (2016: £219,166).

### FINANCIAL REVIEW

Principal funding sources

The principal funding sources of the charity are membership income, voluntary donations and activities undertaken by the charity to generate additional income. The Treasurer with the Board of Management reviews these funding sources on a regular basis to ensure that they are sufficient to cover the core running costs of the Charity and the annual loan repayment commitments.

Investment policy and returns

The trustees have considered the most appropriate policy for investing funds and, as the charity has only relatively small cash reserves, any excess monies are placed in interest bearing bank accounts. The trustees consider the return on such investments in the year to be satisfactory.

Reserves policy

The trustees have been able, and continue to be able, to meet the charity's liabilities as they fall due and they also hold sufficient funds which are restricted for various activities and projects. Therefore, at present, the trustees do not consider it necessary to have a specific reserves policy. They are, however, taking concerted steps to develop a series of initiatives so as to further improve the Charity's financial position.

Funds

At the year end, total funds held by the charity amounted to £1,401,986 (2016: £1,322,269). Unrestricted funds amounted to £600,063 (2016: £589,570).

Restricted funds

Note 17 records the description, balances and movements on various restricted funds set up by the charity over time, where income has been received, and resources expended, on specific areas related to the charity's activities, designated for those purposes.

Plans for the future

The charity will continue to provide facilities for members to be able to enjoy a full and spiritual Jewish life, in accordance with orthodox custom and practice.

NER YISROEL EDUCATIONAL TRUST

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 5 APRIL 2017

---

STRUCTURE, GOVERNANCE AND MANAGEMENT

Operational Structure

The trustees of the Synagogue work together with the Executive Board, and their respective duties and responsibilities are governed by the constitution of the Synagogue. On the occasion of the resignation of a trustee, nominations for appointment are solicited from members who have relevant skills and are already active in the community.

In accordance with the constitution, Executive Board members offer themselves for election at the Annual General Meeting. Trustees are entitled to attend all Board meetings. The Board is engaged in various areas of interest, with members and co-opted volunteers taking responsibility for specific areas; comprising:

- Religious affairs
- Education
- Youth and children services
- Premises, facilities and security
- Finance and membership

In addition to the structures and responsibilities detailed above, the Synagogue also employs administrative and caretaking teams, who are responsible for the day-to-day management of the building and organising of events and celebrations in co-ordination with the relevant Executive board members and/or volunteers. The administrative team are often the first contact for members needing to deal with matters of a sensitive nature, relating to life events and bereavements.

All significant operational decisions are taken by the Executive board, in consultation with the Trustees, after taking appropriate external advice should this be deemed necessary.

External affiliations

The constitution provides that the Synagogue recognises the authority of the Court of the Chief Rabbi of the United Kingdom and British Commonwealth (London Beth Din), but there is no formal affiliation with any external ecclesiastical body.

In respect of bereavement, members may choose to make burial contributions to the Burial Society of the Union of Orthodox Hebrew Congregations, to cover burial costs.

The Synagogue operates a Gemach fund for the alleviation of poverty within the local community. There are separate Gabboim and the Rabbi acts in advising on appropriate situations in which to assist.

Risk management

The trustees have examined the major strategic and operational risks which the Synagogue faces and confirm that systems have been established to mitigate those risks.

The trustees do not consider there to be any significant factors within or outside the charity's control which have affected the achievement of its objectives in the year or its future plans.

Constitution

The Ner Yisroel Community was founded in October 1984. It is an association of Jews with the object of maintaining a place of public worship and advancing religious, educational, and charitable objects under registration number 327078.

The charity is controlled by its governing document, a Declaration of Trust dated 20 February 1986, and constitutes an unincorporated charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number  
327078

Principal address

The Crest  
off Brent Street  
London  
NW4 2HY

NER YISROEL EDUCATIONAL TRUST

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 5 APRIL 2017

---

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

R Gorney  
M Pollak  
K Rosenberg

Rav

Rabbi Alan Kimche

Executive Board

Jonathan Marriott, chairman

Simon Gold, treasurer

Simon Bolsom

Neil Ferber (appointed 22 July 2016)

Royi Gutkin (appointed 24 July 2017)

Oliver Sanders (resigned 24 July 2017)

Daniel Hanstater (resigned 22 July 2016)

Debbie Meyer (resigned 22 July 2016)

Michael Storfer (resigned 22 July 2016)

David Tapnack (resigned 22 July 2016)

Rachel Hamilton (resigned 24 July 2017)

Julie Cohn (appointed 24 July 2017)

Benjy Israel (appointed 22 July 2016)

Nelly Brotzen (resigned 24 July 2017)

Shmuli Landsberg (appointed 22 July 20116)

Auditors

Melinek Fine LLP

Chartered Accountants

Statutory Auditors

First Floor, Winston House

349 Regents Park Road

London

N3 1DH

Bankers

HSBC

Canada Place

Canary Wharf

London

E14 5AH

**NER YISROEL EDUCATIONAL TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 5 APRIL 2017**

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on ..... 7<sup>th</sup> October 2017 ..... and signed on its behalf by:



.....  
R Gorney - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
NER YISROEL EDUCATIONAL TRUST

---

We have audited the financial statements of Ner Yisroel Educational Trust for the year ended 5 April 2017 on pages seven to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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.

#### Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page four, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
NER YISROEL EDUCATIONAL TRUST**

---

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

*MELINEK FINE LLP*

Melinek Fine LLP  
Chartered Accountants  
Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
First Floor, Winston House  
349 Regents Park Road  
London  
N3 1DH

Date: *14/12/2017*.....

NER YISROEL EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	360,564	92,126	452,690	594,354
Charitable activities	5				
Seats		7,218	-	7,218	6,785
Functions		3,414	-	3,414	81,589
Miscellaneous		1,666	-	1,666	4,323
Education		13,266	-	13,266	11,298
Nedovoth		34,268	-	34,268	30,971
Kiddushim		30,722	-	30,722	19,470
Security related activities		7,429	-	7,429	26,494
Other trading activities	3	8,289	-	8,289	13,144
Investment income	4	31,084	-	31,084	40,254
<b>Total</b>		<b>497,920</b>	<b>92,126</b>	<b>590,046</b>	<b>828,682</b>
<b>EXPENDITURE ON</b>					
Charitable activities	6				
Daf Yomi		7,219	-	7,219	6,540
Functions		904	-	904	46,958
Donations and Grants		63,371	16,704	80,075	90,630
Synagogue running costs		388,237	6,198	394,435	437,529
Kiddushim		27,696	-	27,696	27,859
<b>Total</b>		<b>487,427</b>	<b>22,902</b>	<b>510,329</b>	<b>609,516</b>
<b>NET INCOME</b>		<b>10,493</b>	<b>69,224</b>	<b>79,717</b>	<b>219,166</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		589,570	732,699	1,322,269	1,103,103
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>600,063</b>	<b>801,923</b>	<b>1,401,986</b>	<b>1,322,269</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

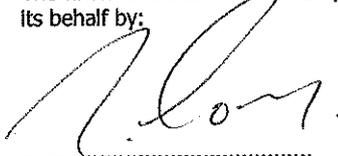
The notes form part of these financial statements

**NER YISROEL EDUCATIONAL TRUST**

**BALANCE SHEET  
AT 5 APRIL 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	11	<b>2,608,568</b>	2,597,021
<b>CURRENT ASSETS</b>			
Debtors	12	<b>12,400</b>	1,122
Cash at bank and in hand		<b>71,326</b>	85,414
		<b>83,726</b>	86,536
<b>CREDITORS</b>			
Amounts falling due within one year	13	<b>(71,666)</b>	(126,277)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>12,060</b>	(39,741)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,620,628</b>	2,557,280
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	<b>(1,218,642)</b>	(1,235,011)
<b>NET ASSETS</b>		<b>1,401,986</b>	1,322,269
<b>FUNDS</b>	17		
Unrestricted funds		<b>600,063</b>	589,570
Restricted funds		<b>801,923</b>	732,699
<b>TOTAL FUNDS</b>		<b>1,401,986</b>	1,322,269

The financial statements were approved by the Board of Trustees on 7<sup>th</sup> December 2017 and were signed on its behalf by:



.....  
R Gorney -Trustee



.....  
M Pollak -Trustee

The notes form part of these financial statements

NER YISROEL EDUCATIONAL TRUST

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 5 APRIL 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	51,973	147,437
Interest paid		<u>(21,664)</u>	<u>(8,308)</u>
Net cash provided by (used in) operating activities		<u>30,309</u>	<u>139,129</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(30,291)	(342,611)
Interest received		<u>5</u>	<u>4</u>
Net cash provided by (used in) investing activities		<u>(30,286)</u>	<u>(342,607)</u>
Cash flows from financing activities:			
New loans in year		-	222,263
Loan repayments in year		<u>(14,111)</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>(14,111)</u>	<u>222,263</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>85,414</u>	<u>66,629</u>
Cash and cash equivalents at the end of the reporting period		<u><u>71,326</u></u>	<u><u>85,414</u></u>

The notes form part of these financial statements

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 5 APRIL 2017

---

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2017	2016
	£	£
Net income for the reporting period (as per the statement of financial activities)	79,717	219,166
Adjustments for:		
Depreciation charges	18,743	20,037
Interest received	(5)	(4)
Interest paid	21,664	8,308
(Increase)/decrease in debtors	(11,278)	63,125
Decrease in creditors	(56,868)	(163,195)
	<u>51,973</u>	<u>147,437</u>
Net cash provided by (used in) operating activities	<u>51,973</u>	<u>147,437</u>

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Changes in accounting policies

There are no significant changes to accounting policies or reclassifications of any figures due to amendments to the SORP or FRS 102. However, the presentation has changed slightly as support costs are now allocated to the various categories of charitable expenditure, rather than being reported as a separate line in the Statement of Financial Activities. The comparatives have also been restated to reflect this change.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Incoming resources from generated funds - this includes membership income, one-off activities undertaken during the year, and income received from the letting out of the charity's premises during the year.

Incoming resources from charitable activities - this is comprised of various activities undertaken by the charity on a daily basis where donations are accepted for taking part and making use of the activities and services provided by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure is classified as follows:

- i) Charitable expenditure - this is comprised of all expenditure incurred by the charity in the delivery of its activities and services and includes salaries and other expenses related to the costs of the synagogue. These costs have been allocated to the charitable activities on a basis consistent with the use of resources.
- ii) Governance costs - this is comprised of all costs associated with meeting the constitutional and other statutory requirements of the charity.

Allocation of support costs

Support costs have been allocated to governance costs and comprise costs involving the public accountability of the charity and its compliance with regulations.

Governance costs have been allocated to synagogue running costs under charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Library Books	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Depreciation is not provided on freehold land and buildings because the estimated residual value of these assets is considered by the trustees to be in excess of the carrying value in the financial statements.

Tangible fixed assets are stated at cost.

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. The restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Pension costs have been allocated to synagogue running costs under charitable activities and are paid out of unrestricted funds.

Fire and insurance

Library Fund

Library fund represent a separate fund created for books which is being depreciated at a rate of 25% on reducing balance.

Auditor's Remuneration

The auditor's remuneration referred to in note 7 represents the total amount receivable by the auditor in respect of services provided during the year.

Going Concern

The accounts have been prepared on the going concern basis. The trustees consider that there are no material uncertainties regarding the charity's ability to continue in operational existence for the foreseeable future, which is deemed to be 12 months from the date of approval of the financial statements.

Financial Instruments

Financial instruments are classified and accounted for as either debt instruments or financial liabilities. Both assets and liabilities are all measured at amortised cost.

2. DONATIONS AND LEGACIES

	2017 £	2016 £
Donations and Gifts	223,466	389,617
Membership Income	193,552	163,392
Gift aid	35,672	41,345
	<u>452,690</u>	<u>594,354</u>

Included in donations and gifts are the following special amounts for 2017 and 2016:

- Donations to support the second floor extension £70,735 (2016: £135,184).
- Donations to support the sifrei Torah project £Nil (2016: £65,995).
- Donations to support the work of the Ner Gemach £62,082 (2016: £68,000). This operates a separate fund to alleviate poverty within the local community.

3. OTHER TRADING ACTIVITIES

	2017 £	2016 £
Fundraising events	<u>8,289</u>	<u>13,144</u>

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

4. INVESTMENT INCOME

	2017	2016
	£	£
Rental Income	31,079	40,250
Deposit account interest	5	4
	<u>31,084</u>	<u>40,254</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
	£	£
Seats	7,218	6,785
Functions (2016 includes 30th Anniversary dinner)	3,414	81,589
Miscellaneous	1,666	4,323
Education	13,266	11,298
Nedovoth	34,268	30,971
Kiddush	30,722	19,470
Security grants and donations	7,429	26,494
	<u>97,983</u>	<u>180,930</u>

Included in 'Functions' is £Nil (2016: £75,814) raised as part of the 30th anniversary dinner.

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Daf Yomi	7,219	-	7,219
Functions	904	-	904
Donations and Grants	80,075	-	80,075
Synagogue running costs	389,938	4,497	394,435
Kiddushim	27,696	-	27,696
	<u>505,832</u>	<u>4,497</u>	<u>510,329</u>

'Functions' costs include £Nil (2016: £42,719 see comparatives, note 10) relating to the 30th anniversary dinner. Included in 'Donations and Grants' is £62,082 (2016: £68,500) paid to the Ner Gemach, £16,704 (2016: £17,528) paid to external organisations including the Board of Deputies, Adath Yisroel Burial Society and the North West London Mikveh.

Included in 'Synagogue running costs' is £Nil (2016: £55,855) related to the project to inaugurate 3 sifrei Torah.

7. SUPPORT COSTS

	Governance costs £
Synagogue running costs	<u>4,497</u>

Support costs, included in the above, are as follows:

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

7. SUPPORT COSTS - continued

Governance costs

	2017	2016
	Synagogue running costs	Total activities
	£	£
Accountancy	1,377	4,263
Legal and professional	120	11,346
Auditors' remuneration	3,000	3,600
	<u>4,497</u>	<u>19,209</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2017 nor for the year ended 5 April 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2017 nor for the year ended 5 April 2016.

9. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	204,134	200,268
Social security costs	14,222	14,587
Other pension costs	41,136	8,736
	<u>259,492</u>	<u>223,591</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Management and administration	<u>10</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

The Executive Board handles the day to day running of the charity and there are no other key management personnel. There is therefore nothing to disclose in respect of key management compensation.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (5 APRIL 2016)

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	411,843	182,511	594,354
Charitable activities			
Seats	6,785	-	6,785
Functions	81,589	-	81,589
Miscellaneous	4,323	-	4,323
Education	11,298	-	11,298
Nedovoth	30,971	-	30,971
Kiddushim	19,470	-	19,470
Security related activities	26,494	-	26,494
Other trading activities	13,144	-	13,144

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (5 APRIL 2016) - continued					
	Unrestricted funds	Restricted funds	Total funds		
	£	£	£		
Investment income	40,254	-	40,254		
Total	646,171	182,511	828,682		
EXPENDITURE ON					
Charitable activities					
Daf Yomi	6,540	-	6,540		
Functions	46,958	-	46,958		
Donations and Grants	73,372	17,258	90,630		
Synagogue running costs	428,166	9,363	437,529		
Kiddushim	27,859	-	27,859		
Total	582,895	26,621	609,516		
NET INCOME	63,276	155,890	219,166		
RECONCILIATION OF FUNDS					
Total funds brought forward	526,294	576,809	1,103,103		
TOTAL FUNDS CARRIED FORWARD	589,570	732,699	1,322,269		
11. TANGIBLE FIXED ASSETS					
	Freehold property	Fixtures and fittings	Library Books	Computer equipment	Totals
	£	£	£	£	£
COST					
At 6 April 2016	2,536,908	122,181	45,721	11,332	2,716,142
Additions	15,432	14,859	-	-	30,291
At 5 April 2017	2,552,340	137,040	45,721	11,332	2,746,433
DEPRECIATION					
At 6 April 2016	-	79,144	31,175	8,802	119,121
Charge for year	-	14,475	3,637	632	18,744
At 5 April 2017	-	93,619	34,812	9,434	137,865
NET BOOK VALUE					
At 5 April 2017	2,552,340	43,421	10,909	1,898	2,608,568
At 5 April 2016	2,536,908	43,037	14,546	2,530	2,597,021

All assets are used in furtherance of the charity's activities.

Freehold property additions represent the costs of the 2nd floor extension of the Jakovovitz Centre, funded by donations and a bank loan.

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other debtors	12,400	1,122

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts (see note 15)	13,699	25,973
Trade creditors	31,200	69,801
Social security and other taxes	4,130	4,544
Other creditors	4,031	16,780
Accruals and deferred income	18,606	9,179
	<u>71,666</u>	<u>126,277</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans (see note 15)	1,218,642	1,235,011

The HSBC loan amounting to £393,724 is secured by a charge over one of the charity's freehold land and buildings. It is repayable in instalments with a final repayment date of February 2036 and interest is currently charged at a five year fixed rate of 4.3%. This facility is due for review in April 2021.

The Woolwich loan amounting to £279,182 is secured by a charge over the charity's other freehold land and buildings. It is interest only and interest is charged at 1.99%

The staff loan of £559,434 is interest free and is repayable when the freehold land and building to which it relates are sold.

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

15. LOANS

An analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year on demand: Bank loans and overdrafts	<u>13,699</u>	<u>25,973</u>
Amounts falling between one and two years: Bank loans - 1-2 years	<u>29,254</u>	<u>25,973</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>48,950</u>	<u>77,919</u>
Amounts falling due in more than five years: Repayable by instalments: Bank loans more 5 yr by instal	<u>301,822</u>	<u>277,970</u>
Repayable otherwise then by instalments: Staff Loan Other Loan - Woolwich	<u>559,434</u> <u>279,182</u>	<u>573,967</u> <u>279,182</u>
	<u>838,616</u>	<u>853,149</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Fixed assets	1,860,259	748,309	2,608,568	2,597,021
Current assets	30,112	53,614	83,726	86,536
Current liabilities	(71,666)	-	(71,666)	(126,277)
Long term liabilities	(1,218,642)	-	(1,218,642)	(1,235,011)
	<u>600,063</u>	<u>801,923</u>	<u>1,401,986</u>	<u>1,322,269</u>

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

17. MOVEMENT IN FUNDS

	At 6.4.16 £	Net movement in funds £	At 5.4.17 £
Unrestricted funds			
General fund	589,570	10,493	600,063
Restricted funds			
Building fund	714,653	68,173	782,826
Mikveh fund	1,500	50	1,550
Burial society fund	-	1,629	1,629
Board of Deputies fund	2,000	2,208	4,208
Library	14,546	(2,836)	11,710
	<u>732,699</u>	<u>69,224</u>	<u>801,923</u>
TOTAL FUNDS	<u>1,322,269</u>	<u>79,717</u>	<u>1,401,986</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	497,920	(487,427)	10,493
Restricted funds			
Building fund	70,735	(2,562)	68,173
Mikveh fund	1,970	(1,920)	50
Burial society fund	12,118	(10,489)	1,629
Board of Deputies fund	6,503	(4,295)	2,208
Library	800	(3,636)	(2,836)
	<u>92,126</u>	<u>(22,902)</u>	<u>69,224</u>
TOTAL FUNDS	<u>590,046</u>	<u>(510,329)</u>	<u>79,717</u>

At the year end the Trustees have reviewed the balances on each of the restricted funds to assess the value of the charity's underlying commitment or liability for each fund given the resources expended or received in the last few years. The net movement in funds for each account includes an adjustment at the year end so that the year end balances are a reflection of the value of this commitment or liability as at 5 April 2017.

The Building fund represents the sums collected from members over many years for supporting the premises of the Ner Campus.

The Library fund represents library books purchased with the insurance proceeds, to replace those lost in the fire, after depreciation.

18. RELATED PARTY DISCLOSURES

During the year, one of the trustees, M Pollak provided Daf Yomi Lectures for which £6,416 (2016: £2,280) was paid. At 5 April 2017 there were no amounts outstanding.

19. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

NER YISROEL EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 5 APRIL 2017

20. FINANCIAL INSTRUMENTS

Under FRS 102 financial instruments are disclosed in the notes to the accounts. A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of an other entity.

	2017 £	2016 £
Financial assets measured at amortised cost	<u>71,326</u>	<u>85,414</u>
Financial liabilities measured at amortised cost	<u>1,267,572</u>	<u>1,347,565</u>

Financial assets are comprised of bank deposits.

Financial liabilities are comprised of short term bank loans and overdrafts of £13,699 (2016: £25,973), trade creditors of £31,200 (2016: £69,801), other creditors of £4,031 (2016: £16,780) and bank loans of £1,218,642 (2016: £1,235,011).