

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
30 SEPTEMBER 2007**

Charity Number 1109706



GERALD KREDITOR & CO.
Chartered Accountants & Registered Auditors
Hallswelle House
1 Halleswelle Road
London
NW11 0DH

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

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**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2007

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 September 2007

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Friends of Bnei Akiva (Bachad)
Charity registration number	1109706
Company registration number	05373032
Principal office	
Registered office	2 Hallswelle Road London NW11 0DJ

THE TRUSTEES

The trustees who served the company during the period were as follows

Mr H Klahr
Mr S Williamson
Mr P Burns
Mr F Weinberg
Mr B Ben- Ari
Mr G Kreike
Mr N Fisch

Mr G Kreike was appointed as a trustee on 1 November 2006
Mr S Williamson retired as a trustee on 5 June 2007
Mrs D J Kestenbaum was appointed as a trustee on 16 January 2008
Mr B Ben- Ari retired as a trustee on 8 January 2008

Secretary	Mr P Burns
Auditor	Gerald Kreditor & Co Chartered Accountants & Registered Auditors Hallswelle House 1 Halleswelle Road London NW11 0DH
Investment adviser	Rathbones 159 New Bond Street London W1S 2UD
Bankers	HSBC Bank Plc 897 Finchley Road

FRIENDS OF BNEI AKIVA (BACHAD) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2007

London
NW11 7NX

HSBC Bank Plc
60 Fenchurch Street
London
EC3M 4BA

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

Friends of Bnei Akiva (Bachad) is a charitable company, limited by guarantee, incorporated on 22 February 2005 and registered as a charity with the Charity Commission on 26 May 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

APPOINTMENT OF TRUSTEES

The directors of the company are also charity trustees for the purposes of charity law. The charitable company is managed by a board of trustees which is responsible for setting the strategic direction of the organisation *and for establishing policy*. The trustees are appointed by the board on the recommendation of other members of the board.

TRUSTEE INDUCTION AND TRAINING

Most trustees are already familiar with the practical work of the charity and new trustees are encouraged to attend board meetings to familiarise themselves with the charity and the context within which it operates.

ORGANISATION STRUCTURE

As mentioned above, the charity is managed by a board of trustees.

The trustees meet three times a year and other times to deal with special business. The charity works closely in a spirit of friendship and co-operation, with Bnei Akiva. Its members are made up of parents, former members and well-wishers. They support the work with fund-raising and collecting donations for capital projects, as well as supporting Bnei Akiva with funds for its educational work. The charity has also one part-time staff.

RELATED PARTIES

The charity has a close relationship with Bnei Akiva for whom it supplies financial and other support.

Bnei Akiva is the world's largest religious Zionist youth organisation, active all over the world, with over 50,000 members.

FRIENDS OF BNEI AKIVA (BACHAD) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2007

RISK MANAGEMENT

The trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, and visitors to the youth centres. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity. The charity manages its financial risk by setting a reserves policy which is regularly reviewed by trustees.

OBJECTIVES AND ACTIVITIES

The principal objectives of the charity throughout the year have been to foster and promote education (including education in the Jewish Religion) for Jewish youth in the United Kingdom and in Israel. These objectives are achieved by providing support, financial and otherwise, to Bnei Akiva.

We also provide grants for needy individuals' children towards the cost of various Bnei Akiva camps, Israel trips, and other events.

We have youth centres in Manchester and London for the purposes of achieving these objectives.

ACHIEVEMENTS AND PERFORMANCE

The main areas of charitable activities are the provision and maintenance of the youth centres in Salford and London, organising events for youth and providing grants to Bnei Akiva.

FRIENDS OF BNEI AKIVA (BACHAD) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2007

FINANCIAL REVIEW

During the year, the charity's funds have been applied in furtherance of its objectives and the day to day running of the charity

In the year to 30 September 2007, incoming resources amounted to £207,276 and resources expended amounted to £169,117

At 30 September 2007, the charity had total fund balances of £1,620,352 This comprised £1,620,352 unrestricted funds

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have concluded that the general reserves amounting to £1,620,352 are necessary to maintain the day to day running of the charity and to achieving its objectives

There have been no changes in the accounting policies of the charity during the year

The charity will continue to depend on donors and past and present members who have supported our activities

The trustees would like to express our gratitude to our donors, members, and volunteers who have generously given of their time and effort and have contributed towards the charity's activities and objectives

PLANS FOR THE FUTURE

The charity plans to continuing the activities as outlined above

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period

In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 1985

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2007

The trustees 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

In so far as the trustees are aware

- there is no relevant audit information of which the charity's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITOR

In accordance with Section 385 of the Companies Act 1985, Gerald Kreditor & Co were appointed as auditors and have expressed their willingness to be re-appointed auditors of the charity for the forthcoming year

Registered office
2 Hallswelle Road
London
NW11 0DJ

Signed on behalf of the trustees

X 

P Burns
Secretary

19 September 2008

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRIENDS
OF BNEI AKIVA (BACHAD)**

YEAR ENDED 30 SEPTEMBER 2007

We have audited the financial statements of Friends of Bnei Akiva (Bachad) for the year ended 30 September 2007 on pages 8 to 15 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of Friends of Bnei Akiva (Bachad) for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRIENDS
OF BNEI AKIVA (BACHAD) (continued)**

YEAR ENDED 30 SEPTEMBER 2007

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion

- the financial statements give a *true and fair* view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 30 September 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees Annual Report is consistent with the financial statements



GERALD KREDITOR & CO
Chartered Accountants
& Registered Auditors

Hallswelle House
1 Halleswelle Road
London
NW11 0DH

19 September 2008

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 30 SEPTEMBER 2007

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	2	152,366	—	152,366	2,130,870
Activities for generating funds	3	48,291	—	48,291	68,038
Investment income	4	6,619	—	6,619	4,254
TOTAL INCOMING RESOURCES		207,276	—	207,276	2,203,162
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	(139,778)	(430,728)	(570,506)	(118,177)
Charitable activities	6/7	—	—	—	(74,487)
Governance costs	8	(29,339)	—	(29,339)	(28,848)
TOTAL RESOURCES EXPENDED		(169,117)	(430,728)	(599,845)	(221,512)
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR					
Realised gains on disposal of investment assets	9	38,159	(430,728)	(392,569)	1,981,650
		<u>31,271</u>	<u>—</u>	<u>31,271</u>	<u>—</u>
NET MOVEMENT IN FUNDS/NET (EXPENDITURE)/INCOME FOR THE YEAR					
		69,430	(430,728)	(361,298)	1,981,650
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,550,922</u>	<u>430,728</u>	<u>1,981,650</u>	<u>—</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,620,352</u>	<u>—</u>	<u>1,620,352</u>	<u>1,981,650</u>

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

All of the above amounts relate to continuing activities

The notes on pages 10 to 15 form part of these financial statements

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

30 SEPTEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	11	1,519,586	1,500,000
CURRENT ASSETS			
Debtors	12	7,205	107,208
Investments	13	—	70,648
Cash at bank		144,948	327,716
		152,153	505,572
CREDITORS: Amounts falling due within one year	14	(51,387)	(23,922)
NET CURRENT ASSETS		100,766	481,650
TOTAL ASSETS LESS CURRENT LIABILITIES		1,620,352	1,981,650
NET ASSETS		1,620,352	1,981,650
FUNDS			
Restricted income funds	15	—	430,728
Unrestricted income funds	16	1,620,352	1,550,922
TOTAL FUNDS		1,620,352	1,981,650

These financial statements were approved by the members of the committee on the 19 September 2008 and are signed on their behalf by

Mr F Weinberg

Trustee (Director)

The notes on pages 10 to 15 form part of these financial statements.

FRIENDS OF BNEI AKIVA (BACHAD) COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small

Investment assets and income

Current asset investments are at the lower of cost and net realisable value

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each of the restricted funds is set out in the notes to the financial statements

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 reported as part of the expenditure to which it relates. Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising activities carried out by the charity. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of the resources

FRIENDS OF BNEI AKIVA (BACHAD) COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

1. ACCOUNTING POLICIES *(continued)*

Fixed assets

All fixed assets are initially recorded at cost

No depreciation is provided on freehold land and buildings as the charity has a policy and practice of regular repairs and maintenance (charges for which are recognised in the income and expenditure account) such that the freehold land and buildings is maintained at its existing state

Depreciation

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

Freehold Property	-	0%
Religious artefacts	-	2% straight line
Fixtures & Fittings	-	20% and 33% Reducing balance

Income resources

All incoming resource are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy The following specific policies are applied to particular categories of income Voluntary income including donations, gifts and legacies are included when receivable by the charity Deposit interest is included when receivable by the charity

Charity status

The charity is a company limited by guarantee, the liability of members being limited to £10 each The company is registered as a charity and is exempt from direct taxation

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Donations			
Donations and covenants	147,448	147,448	464,601
Gifts			
Assets transferred by Bachad Fellowship	4,918	4,918	1,666,269
	<u>152,366</u>	<u>152,366</u>	<u>2,130,870</u>

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£
Other activities for generating funds - Brochures	11,300	11,300	40,825
Other activities for generating funds - Dinner	27,662	27,662	27,143
Other activities for generating funds - DVD	—	—	70
Other activities for generating funds - Entrance fee and events	9,329	9,329	—
	<u>48,291</u>	<u>48,291</u>	<u>68,038</u>

4. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£
Investment income	1,645	1,645	210
Bank interest receivable	4,974	4,974	4,044
	<u>6,619</u>	<u>6,619</u>	<u>4,254</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£	£
Donations	76,724	430,728	507,452	—
Support costs	63,054	—	63,054	118,177
	<u>139,778</u>	<u>430,728</u>	<u>570,506</u>	<u>118,177</u>

6 COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Total Funds 2007	Total Funds 2006
	£	£
Resources expended on fund raising activities	—	74,487

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Total Funds 2007	Total Funds 2006
	£	£
Resources expended on fund raising activities	—	74,487

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

8. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£
Salaries and wages	20,371	20,371	19,748
Employer's NIC	1,982	1,982	1,834
General expenses	2,353	2,353	1,772
Accountancy fees	—	—	300
Audit fees	2,000	2,000	4,000
Depreciation	561	561	—
Travel expenses	—	—	354
Printing, postage and stationery	1,393	1,393	519
Telephone	217	217	178
Bank charges	462	462	143
	<u>29,339</u>	<u>29,339</u>	<u>28,848</u>

9. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging

	2007	2006
	£	£
Depreciation	561	—
Auditors' remuneration - audit of the financial statements	<u>2,000</u>	<u>4,000</u>

10 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2007	2006
	£	£
Wages and salaries	20,371	19,748
Social security costs	<u>1,982</u>	<u>1,834</u>
	<u>22,353</u>	<u>21,582</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2007	2006
	No	No
Number of administrative staff	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year (2006 - Nil)

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

11. TANGIBLE FIXED ASSETS

	Freehold property £	Religious Artefacts £	Equipment £	Total £
COST				
At 1 October 2006	1,500,000	—	—	1,500,000
Additions	—	19,362	785	20,147
At 30 September 2007	<u>1,500,000</u>	<u>19,362</u>	<u>785</u>	<u>1,520,147</u>
DEPRECIATION				
Charge for the year	—	387	174	561
At 30 September 2007	<u>—</u>	<u>387</u>	<u>174</u>	<u>561</u>
NET BOOK VALUE				
At 30 September 2007	<u>1,500,000</u>	<u>18,975</u>	<u>611</u>	<u>1,519,586</u>
At 30 September 2006	<u>1,500,000</u>	<u>—</u>	<u>—</u>	<u>1,500,000</u>

12. DEBTORS

	2007 £	2006 £
Trade debtors	2,237	89,530
Tax on gift aid	4,513	17,112
Prepayments	455	566
	<u>7,205</u>	<u>107,208</u>

13. INVESTMENTS

	2007 £	2006 £
UK listed investments	—	32,969
Cash held within investments	—	37,679
	<u>—</u>	<u>70,648</u>

14. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Taxation and social security	—	1,439
Other creditors	45,086	18,183
Accruals	6,301	4,300
	<u>51,387</u>	<u>23,922</u>

**FRIENDS OF BNEI AKIVA (BACHAD)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2007

15. RESTRICTED INCOME FUNDS

	Balance at 1 Oct 2006 £	Incoming resources £	Balance at 30 Sep 2007 £
Restricted Fund 1 - Arieh Handler Fund	<u>430,728</u>	<u>(430,728)</u>	<u>—</u>

16. UNRESTRICTED INCOME FUNDS

	Balance at 1 Oct 2006 £	Incoming resources £	Balance at 30 Sep 2007 £
General Funds	<u>1,550,922</u>	<u>69,430</u>	<u>1,620,352</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Other net liabilities £	Total £
Unrestricted Income Funds	<u>1,519,586</u>	<u>152,153</u>	<u>(51,387)</u>	<u>1,620,352</u>
Total Funds	<u>1,519,586</u>	<u>152,153</u>	<u>(51,387)</u>	<u>1,620,352</u>

18. COMPANY LIMITED BY GUARANTEE

Friends of Bnei Akiva (Bachad) is a charitable company, limited by guarantee, incorporated on 22 February 2005 and registered as a charity with the Charity Commission on 26 May 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.