

COMPANY REGISTRATION NUMBER 6935713

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
30 NOVEMBER 2016**

Charity Number 1130433

HAS LTD
Chartered Accountants
Prince Albert House
2b Mather Avenue
Prestwich
Manchester
M25 0LA



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**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

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THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE
TRUSTEES AND PROFESSIONAL ADVISERS

Registered charity name	The Gateshead Cheder Ltd
Charity number	1130433
Company registration number	6935713
Principal office	Tynegate Precinct Sunderland Road Gateshead Tyne & Wear NE8 3HY
Registered office	Tynegate Precinct Sunderland Road Gateshead Tyne & Wear NE8 3HY
Trustees	S Kohn A M Rabinowitz
Independent examiner	Howard Schwalbe ACA Prince Albert House 2b Mather Avenue Prestwich Manchester M25 0LA
Bankers	Lloyds Bank plc 15 West Street Gateshead Tyne & Wear NE8 1DP

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 NOVEMBER 2016

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 30 November 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

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

THE TRUSTEES

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

S Kohn
A M Rabinowitz
Y Z Schleider

Y Z Schleider retired as a trustee on 23 November 2016.

There is no chief executive officer. The day to day affairs are undertaken by A M Rabinowitz on behalf of the trustees.

All major decisions are taken collectively by the trustees and governors and all the trustees give of their time freely.

The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts.

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Gateshead Cheder Ltd is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 16 June 2009 as a company and the company number is 6935713. It was registered as a charity on 30 June 2009 with a charity number 1130433.

Organisation

The trustees are responsible for the control and direction of the school. The day to day running of the school is carried out by the trustees in consultation with the teachers.

Risk management policy

The trustees consider that the main areas of risk are in respect of education and finance. The trustees aim to ensure that adequate staff are recruited to further the purpose of the school and ensure that educational standards are maintained and improved.

In terms of financial risk, this is dependent on the efficient collection of voluntary contributions from parents and on charitable contributions from members of the local community. If external fund raising is not maximised this can have a negative impact on the school with regard to the recruitment of the most suitably qualified teachers as well as on extra curricular activities. Acquisition of educational material would also be restricted.

Recruitment of trustees

Recruitment and appointment of new trustees is in line with the Memorandum and Articles of Association and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There are no policies for the induction or training of new trustees.

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are (i) the advancement of orthodox Jewish religious education and education in general and (ii) the advancement of such other objects as are for the benefit of the public and are charitable according to English Law.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity does not normally make grants as it provides education directly. If the charity was to make grants it would be in line with the objects of the Memorandum of Association.

Activities

The charity is funded by fees, grants and donations. The charity provides education to children in the Gateshead area.

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2016

ACHIEVEMENTS AND PERFORMANCE

During the year the charity received £21,067 in voluntary contributions, £482,312 in childcare fees, £30,506 in transportation fees and £213,705 in donations.

The charity paid out £848,864 for teaching, direct educational expenditure and support costs. The charity was successful in dispensing education to children of various ages during the year. The charity operated a school called a Cheder that educated 190 primary school age boys in the Gateshead area.

The charity also had grants receivable from SureStart, CST and Gateshead MBC and others amounting to £140,423 during the year.

Grants totalling £23,050 were paid out to various other educational establishments during the year. These grants were made in line with the stated objects of the charity.

There were no investments made during the year.

Fundraising costs incurred during the year are as detailed in the notes to the accounts.

During the year the freehold property that the school had occupied was sold by the legal owners. It had never belonged to the charity. The charity had all substantial risks and rewards of the building and had accounted for the asset as if it had owned it in line with accounting standards. The loss on the sale of this building as represented in the books of the charity amounted to £120,973. The trustees wish to state that the overall loss incurred this year was primarily due to this accounting adjustment.

The school now occupies a substantially larger building and has expanded the school operations as a result. The charity has obtained a longer and more secure tenancy on this building.

There was an overall net outgoing of resources for the year amounting to £92,885.

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2016

FINANCIAL REVIEW

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial and other support received from benefactors during the course of the year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The reserves of the charity are virtually nil. There are net current liabilities as well as long term liabilities which all offset the fixed assets that are not available as free reserves that the trustees are aware of and the following is therefore relevant.

It is the policy of the charity to maintain unrestricted funds at a level sufficient to cover unforeseen and major expenditure and shortfalls in income. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the stated policy and to the maintenance of a balanced budget. Additionally, most of the current liabilities and all of the long term liabilities are interest free loans from well wishers who want the school to succeed and would not call them in to the detriment of the charity.

INDEPENDENT EXAMINER

Howard Schwalbe ACA has been re-appointed as independent examiner for the ensuing year.

Registered office:
Tynegate Precinct
Sunderland Road
Gateshead
Tyne & Wear
NE8 3HY

Signed on behalf of the trustees


A M RABINOWITZ
Company Secretary

16 October 2017

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE GATESHEAD CHEDER LTD

YEAR ENDED 30 NOVEMBER 2016

I report on the accounts of the company for the year ended 30 November 2016 which are set out on pages 7 to 14.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of The Gateshead Cheder Ltd for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

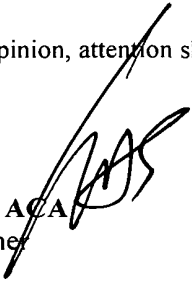
INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Howard Schwalbe ACA
Independent examiner

Prince Albert House
2b Mather Avenue
Prestwich
Manchester
M25 0LA

16 October 2017

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 30 NOVEMBER 2016

	Note	Total Funds 2016 £	Total Funds 2015 £
INCOME AND ENDOWMENTS			
Donations and legacies	2	354,128	175,507
Investment income	3	3	2
Other income	4	533,885	435,790
TOTAL INCOME		<u>888,016</u>	<u>611,299</u>
EXPENDITURE			
Expenditure on raising funds:			
Costs of other trading activities	5	(11,064)	(14,079)
Expenditure on charitable activities	6/7	(848,864)	(575,889)
Other expenditure	8	(120,973)	–
TOTAL EXPENDITURE		<u>(980,901)</u>	<u>(589,968)</u>
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR	9	(92,885)	21,331
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>93,075</u>	71,744
TOTAL FUNDS CARRIED FORWARD		<u>190</u>	<u>93,075</u>

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

All of the above amounts relate to continuing activities.

The notes on pages 9 to 14 form part of these financial statements.

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

30 NOVEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	11	1,450,932	367,357
CURRENT ASSETS			
Debtors	12	42,702	20,071
Cash at bank and in hand		31,175	38,086
		<u>73,877</u>	<u>58,157</u>
CREDITORS: Amounts falling due within one year	13	<u>(474,619)</u>	<u>(332,439)</u>
NET CURRENT LIABILITIES		(400,742)	(274,282)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,050,190</u>	<u>93,075</u>
CREDITORS: Amounts falling due after more than one year	14	<u>(1,050,000)</u>	<u>–</u>
NET ASSETS		<u><u>190</u></u>	<u><u>93,075</u></u>
FUNDS OF THE CHARITY			
Unrestricted income funds	15	<u>190</u>	<u>93,075</u>
TOTAL CHARITY FUNDS		<u><u>190</u></u>	<u><u>93,075</u></u>

For the year ended 30 November 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the trustees and authorised for issue on the 16 October 2017 and are signed on their behalf by:



A M RABINOWITZ
Director

Company Registration Number: 6935713

The notes on pages 9 to 14 form part of these financial statements.

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

Incoming resources

Voluntary contributions receivable relate to parental contribution and are accounted for in the period in which the service was provided.

Donations receivable are accounted for in the period in which they were received.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

The trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Costs in furtherance of charitable objects are made up of educational expenditure and grants paid out by the trustees in line with the memorandum and articles of association.

Governance costs are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

Fund accounting

Unrestricted funds are those available for use for general purposes at the discretion of the charity trustees and governors in furtherance of the charity's objects.

Fixed assets

All fixed assets are initially recorded at cost.

THE GATESHEAD CHEDER LTD COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

1. ACCOUNTING POLICIES *(continued)*

Depreciation

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

Equipment	- 15% SL
Fixtures & fittings	- 15% SL

The trustees have decided not to depreciate the freehold property on the basis that the current carrying value represents the open market value of the property. This is not in keeping with the Companies Act requirements but is done on grounds of true and fair.

This is primarily due to the building being maintained to a high standard and is in good order.

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Donations				
Donations	213,705	213,705	82,617	82,617
Grants receivable				
Grants received from public authority	104,264	104,264	87,019	87,019
CST grants receivable	30,374	30,374	4,121	4,121
Other grants receivable	5,785	5,785	1,750	1,750
	<u>354,128</u>	<u>354,128</u>	<u>175,507</u>	<u>175,507</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Bank interest receivable	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>

4. OTHER INCOME

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Voluntary contributions	21,067	21,067	19,675	19,675

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

Childcare fees	482,312	482,312	392,661	392,661
Transport fees	30,506	30,506	23,454	23,454
	<u>533,885</u>	<u>533,885</u>	<u>435,790</u>	<u>435,790</u>

5. COSTS OF OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Advertising, promotions & appeals	<u>11,064</u>	<u>11,064</u>	<u>14,079</u>	<u>14,079</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Teaching & direct educational expenditure	786,617	786,617	504,160	504,160
Support costs	62,247	62,247	71,729	71,729
	<u>848,864</u>	<u>848,864</u>	<u>575,889</u>	<u>575,889</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total Funds 2016 £	Total Funds 2015 £
Teaching & direct educational expenditure	763,567	23,050	57,803	844,420	570,997
Governance costs	—	—	4,444	4,444	4,892
	<u>763,567</u>	<u>23,050</u>	<u>62,247</u>	<u>848,864</u>	<u>575,889</u>

8. OTHER EXPENDITURE

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Losses on disposal of tangible fixed assets for charity's own use	<u>120,973</u>	<u>120,973</u>	—	—

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

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

This is stated after charging:

	2016	2015
	£	£
Staff pension contributions	302	–
Depreciation	–	3,204

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	456,644	317,161
Social security costs	5,176	3,385
Other pension costs	302	–
	<u>462,122</u>	<u>320,546</u>

Particulars of employees:

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

	2016	2015
	No.	No.
Number of administrative staff	5	4
Number of teaching staff (full & part time)	65	48
	<u>70</u>	<u>52</u>

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Fixtures & Fittings £	Total £
COST				
At 1 December 2015	354,516	6,174	15,186	375,876
Additions	1,398,880	2,578	36,363	1,437,821
Disposals	(354,516)	—	—	(354,516)
At 30 November 2016	<u>1,398,880</u>	<u>8,752</u>	<u>51,549</u>	<u>1,459,181</u>
DEPRECIATION				
At 1 December 2015	—	2,778	5,471	8,249
At 30 November 2016	<u>—</u>	<u>2,778</u>	<u>5,471</u>	<u>8,249</u>
NET BOOK VALUE				
At 30 November 2016	<u>1,398,880</u>	<u>5,974</u>	<u>46,078</u>	<u>1,450,932</u>
At 30 November 2015	<u>354,516</u>	<u>3,396</u>	<u>9,715</u>	<u>367,627</u>

12. DEBTORS

	2016 £	2015 £
Trade debtors	30,411	20,071
Other debtors	12,291	—
	<u>42,702</u>	<u>20,071</u>

13. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	—	9
Trade creditors	25,907	20,877
Taxation and social security	708	1,715
Other creditors	444,347	306,838
Accruals and deferred income	3,657	3,000
	<u>474,619</u>	<u>332,439</u>

**THE GATESHEAD CHEDER LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2016

14. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Other creditors	<u>1,050,000</u>	<u>–</u>

15. UNRESTRICTED INCOME FUNDS

	Balance at 01 December 2015 £	Expenditure £	Balance at 30 November 2016 £
General Funds	<u>93,075</u>	<u>(92,885)</u>	<u>190</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current liabilities £	Long term liabilities £	Total £
Unrestricted Income Funds	<u>1,450,932</u>	<u>(400,742)</u>	<u>(1,050,000)</u>	<u>190</u>
Total Funds	<u><u>1,450,932</u></u>	<u><u>(400,742)</u></u>	<u><u>(1,050,000)</u></u>	<u><u>190</u></u>

17. COMPANY LIMITED BY GUARANTEE

The Gateshead Cheder Ltd is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

18. TAXATION

The Gateshead Cheder Ltd is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.