

PARSHA LIMITED

(A Charitable Company Limited by Guarantee)

Company Number 1064310

ACCOUNTS FOR THE YEAR ENDED

31ST AUGUST 1995

**SUGARWHITE ASSOCIATES
Chartered Accountants
250/256 St Ann's Road
London N15 5BN**



PARSHA LIMITED

(A Charitable Company limited by guarantee)

REPORT OF THE DIRECTORS

The directors present their report and financial statements for the year ended 31st August 1995.

PRINCIPAL ACTIVITIES

The principal activity of the company was to support Beis Yaakov Primary School, run its financial affairs and collect public subscriptions and donations in order to meet the School's financial deficit. The company is registered with the Charity Commissioner under reference 267986 and also with the Inland Revenue under reference XN29393A.

DIRECTORS

The Directors of the company during the year were as follows:-

| | |
|----------------------|------------------|
| B S E Freshwater Esq | S Klein Esq |
| Rabbi C Halpern | B Perl Esq |
| B Dunner Esq | V Weingarten Esq |
| E H Feingold Esq | |

The respective liability of the directors as contributories was £1 in each case.

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REGISTERED AUDITORS

Sugarwhite Associates were appointed as registered auditors in respect of the year concerned and are willing to continue in office and, accordingly, are automatically deemed to be re-appointed in accordance with Section 386(2) of the Companies Act 1985.

This report was approved by the board on *4th December* 1996 taking advantage of Special Exemptions available to small companies.

Signed on behalf of the Board of Directors,

E. H. FEINGOLD



**AUDITORS REPORT TO THE MEMBERS OF
PARSHA LIMITED**

We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors' Report the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practises 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 of the state of the company's affairs as at 31st August 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

SUGARWHITE ASSOCIATES
250/256 St Ann' Road,
London N15 5BN


.....
Registered Auditors
5/12/86
.....
Date

PARSHA LIMITED

Profit and Loss Account for the Year ended 31st August 1995

| | Note | <u>1995</u> | <u>1994</u> |
|--|------|------------------|------------------|
| Turnover - School fees received | 1b | 336,258 | 330,815 |
| School running expenses | | <u>500,840</u> | <u>765,897</u> |
| Operating loss for the year | 2 | (164,582) | (435,082) |
| Donations and fund-raising income | | 413,763 | 373,340 |
| Bank interest receivable | | 650 | 674 |
| Billboard rental income | | <u>6,500</u> | <u>6,500</u> |
| | | <u>420,913</u> | <u>380,514</u> |
| | | 256,331 | (54,568) |
| Bank Overdraft interest paid | | 8,486 | 7,871 |
| Bank loan interest paid | | <u>139,569</u> | <u>133,830</u> |
| | | <u>148,055</u> | <u>141,701</u> |
| Net Profit (loss) for the year | | 108,276 | (196,269) |
| Less Balance with Subsidiary Company written off | 4 | <u>689</u> | |
| | | 107,587 | |
| Accumulated loss at the beginning of the year | | <u>(872,536)</u> | <u>(676,267)</u> |
| Accumulated loss at the end of the year | | <u>(764,949)</u> | <u>(872,536)</u> |

There were no recognised gains nor losses other than those recognised in the profit and loss account.

The notes on pages 5 to 7 form part of these financial statements.

PARSHA LIMITED

Balance Sheet at 31st August 1995

| | Note | <u>1995</u> | <u>1994</u> |
|--|---------------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Tangible | 3 | 2,472,907 | 2,459,972 |
| Shares in subsidiary | 4 | <u>2</u> | <u>2</u> |
| | | 2,472,909 | 2,459,974 |
| CURRENT ASSETS | | | |
| Cash at bank and in hand | 510 | | 17 |
| Saving deposit certificate | 11,624 | | 11,335 |
| Sundry debtors and prepayments | <u>4,180</u> | | <u>1,182</u> |
| | <u>16,314</u> | | <u>12,534</u> |
| CREDITORS: Amounts falling due within one year | 5 | <u>537,394</u> | <u>613,279</u> |
| Net Current Liabilities | | <u>(521,080)</u> | <u>(600,745)</u> |
| Total Assets Less Current Liabilities | | 1,951,829 | 1,859,229 |
| CREDITORS: Amounts falling due after more than one year, bank loan (secured) | | <u>1,650,000</u> | <u>1,665,276</u> |
| | | <u>301,829</u> | <u>193,953</u> |
| Financed By:- | | | |
| Building Fund Balance at beginning of the year | 7 | 2,433,452 | 2,433,452 |
| Cissie Goldstone Memorial Fund | | 1,624 | 1,335 |
| Profit and Loss Account | | (764,949) | (872,536) |
| Property revaluation deficit | | <u>(1,368,298)</u> | <u>(1,368,298)</u> |
| | | <u>301,829</u> | <u>193,953</u> |

The Directors have relied on special exemption available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

Approved by the Board of Directors and signed on its behalf on 4th December 1996.

B S E Freshwater)

E H Feingold) Directors

See balance sheet
E. H. Feingold

The notes on pages 5 to 7 form part of these financial statements.

PARSHA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 1995

1. ACCOUNTING POLICIES

a) Convention

The accounts have been prepared under the historical cost convention.

b) Turnover

Turnover represents school fees received in the year by Beis Yaakov Primary School.

c) Fixed Assets

No depreciation has been provided on the company's freehold property and improvements thereto (see Note 6 below). Depreciation at 25% on the reducing balance basis has been provided on furniture and fittings, calculated to write-off same over their anticipated useful life.

2. OPERATING LOSS

The operating loss for the year is stated after charging the following:-

| | <u>1995</u> | <u>1994</u> |
|------------------------------|--------------|--------------|
| Auditors remuneration | 2,468 | 1,586 |
| Depreciation of fixed assets | <u>5,448</u> | <u>4,073</u> |

The average weekly number of persons including directors, employed by the company during the period was:-

| | |
|--|-----------|
| School teaching staff (including numerous part time staff) | <u>45</u> |
| School administration | <u>3</u> |
| Company administration | <u>7</u> |

No directors' remuneration, nor secretarial salary, was voted for the year.

3. FIXED ASSETS

Tangible

| | <u>Total</u> | <u>Freehold Property</u> | <u>Fixtures Fittings & Equipment</u> |
|----------------------------------|------------------|--------------------------|--|
| Cost at 1.9.1994 | 3,879,356 | 3,816,050 | 63,306 |
| Improvements during the year | <u>18,383</u> | <u>8,813</u> | <u>9,570</u> |
| Cost at 31.8.1995 | <u>3,897,739</u> | <u>3,824,863</u> | <u>72,876</u> |
| Depreciation at 1.9.1994 | 51,086 | | 51,086 |
| Provision for the year | <u>5,448</u> | | <u>5,448</u> |
| Depreciation at 31.8.1995 | <u>56,534</u> | | <u>56,534</u> |
| Revaluation reserve at 1.9.1994 | 1,368,298 | 1,368,298 | |
| Provision for the year | <u>-</u> | <u>-</u> | |
| Revaluation deficit at 31.8.1995 | <u>1,368,298</u> | <u>1,368,298</u> | |
| Net book values at 31.8.1995 | 2,472,907 | 2,456,565 | 16,342 |
| Net book values at 31.8.1994 | 2,459,972 | 2,447,752 | 12,220 |

PARSHA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 1995

4. SHARES IN SUBSIDIARY

The company owned the entire issued share capital of Golders Green Advertising Agency Limited which is registered in the U.K. Consolidated accounts have not been prepared, since, in view of the insignificant amounts involved, the directors believe they would be of no real value to members. The subsidiary has been removed from the Register subsequent to the Balance Sheet date and accordingly, the amount owed by the subsidiary has been written off.

5 CREDITORS: Amounts falling due within one year

| | <u>1995</u> | <u>1994</u> |
|---|----------------|----------------|
| Bank loan and overdraft (partially guaranteed by two directors) | 136,930 | 129,400 |
| Short term loan | 364,500 | 86,500 |
| Creditors, including taxation and social security contributions | 27,312 | 391,278 |
| Accrued charges | <u>8,652</u> | <u>6,101</u> |
| | <u>537,394</u> | <u>613,279</u> |

6. PROPERTY REVALUATION DEFICIT

| | <u>1995</u> | <u>1994</u> |
|-------------------------|--------------------|--------------------|
| Balance brought forward | (1,368,298) | (1,368,298) |
| Provision for the year | <u>-</u> | <u>-</u> |
| Balance carried forward | <u>(1,368,298)</u> | <u>(1,368,298)</u> |

Although no formal professional revaluation nor site inspection of the company's freehold property was carried out at the balance sheet date, the successor firm to the Valuers who carried out a valuation in 1992 are of the opinion that, in view of the marked downturn in market sentiments and due to the unusual nature of the buildings' occupational use as a school, it is highly unlikely that the value of the premises will have materially increased over the 1992 valuation of £2,400,000 notwithstanding capital expenditure in the intervening period. Accordingly, a revaluation provision has been made in the accounts to reflect the property at the latter value.-

7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

| | <u>1995</u> | <u>1994</u> |
|--|----------------|----------------|
| Profit (Loss) for the year | 109,456 | (196,269) |
| Increase in Memorial Fund for the year | <u>289</u> | <u>-</u> |
| | 109,745 | (196,269) |
| Shareholders fund brought forward | <u>193,953</u> | <u>390,222</u> |
| Shareholders funds carried forward | <u>303,698</u> | <u>193,953</u> |

PARSHA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 1995

8. TAXATION

No taxation charge has been provided in the accounts, in view of the company's charitable status.

9. GOING CONCERN BASIS

The accounts have been prepared on the going concern basis, on the assumption that the bank loan of £1,650,000 which is renewable annually, will not have to be repaid upon annual renewal and that suitable alternative finance could be obtained if necessary. Should the company be unable to continue in operation, adjustments may have to be made to reduce the value of assets to their recoverable amounts and to provide any further liabilities which may arise.