

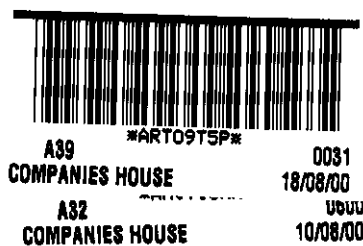
JEWISH ASSOCIATION FOR BUSINESS ETHICS
AND SUBSIDIARY UNDERTAKING
(LIMITED BY GUARANTEE)

Company No: 2931643

FINANCIAL STATEMENTS

for the year ended

31 DECEMBER 1999



COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON W1X 2JP

JEWISH ASSOCIATION FOR BUSINESS ETHICS

LEGAL AND ADMINISTRATIVE INFORMATION

GOVERNORS (TRUSTEES)

Michael Bradfield
David John Brecher
Sir Trevor Chinn, CVO
Sidney Corob CBE
Daniel I Dover
Faanya Lydia Goldin
Anthony Grabiner, QC
Sir Stanley Kalms, Hon D Litt
Clive Maurice Marks
Michael Siegfried Meyer
Robert Abraham Perlman
Gerald Rothman
Robert Stephen Rubin
Clinton Vita Silver, CBE
Lord Stone of Blackheath
Michael Webber (Resigned on 16 November 1999)
Robert Yentob
Stephen Zimmerman

SECRETARY

Lorraine Spector

REGISTERED OFFICE

13-17 New Burlington Place
LONDON W1X 2JP

AUDITORS

Cohen Arnold & Co
13-17 New Burlington Place
LONDON W1X 2JP

PRINCIPAL BANKERS

Lloyds Bank plc

COMPANY NUMBER

2931643

REGISTERED CHARITY NUMBER

1038453

JEWISH ASSOCIATION FOR BUSINESS ETHICS
AND SUBSIDIARY UNDERTAKING

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FOR THE YEAR ENDED 31 DECEMBER 1999

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JEWISH ASSOCIATION FOR BUSINESS ETHICS
(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES') REPORT

The Governors (Trustees) have pleasure in presenting their Annual Report together with the Financial Statements of the Company for the year ended 31 December 1999.

PRINCIPAL OBJECTS AND BUSINESS REVIEW

The principal objects of the Company are the promotion, through education, of Jewish values relating to proper and ethical business practises and the raising of ethical standards within the business, professional and wider communities.

In furtherance of its principal objects, the Company has obtained Donations and Grants from third-parties, has organised public lectures, seminars, a programme for schools, and has initiated a series of publications providing information on Business Ethics.

The financial results of the Company's activities for the year ended 31 December 1999 are fully reflected in the attached Financial Statements together with the Notes thereon.

The Company's enabling documents are its Memorandum and Articles of Association.

ADMINISTRATION OF COMPANY

The Company is controlled by its Council of Governors, day to day administration being undertaken by the Projects Director and the Company Secretary.

GOVERNORS (TRUSTEES)

The undermentioned individuals were Governors (Trustees) of the Company and continue in Office.

Michael Bradfield
David John Brecher
Sir Trevor Chinn, CVO
Sidney Corob CBE
Daniel I Dover
Faanya Lydia Goldin
Anthony Grabiner, QC
Sir Stanley Kalms, Hon D Litt
Clive Maurice Marks
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JEWISH ASSOCIATION FOR BUSINESS ETHICS

(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES) REPORT

GOVERNORS' (TRUSTEES') RESPONSIBILITIES

Company law requires the Governors (Trustees) 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 its profit or loss for that period. In preparing the Financial Statements, the Governors (Trustees) are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) follow applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements
- iv) prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors (Trustees) are responsible for maintaining 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.

AUDITORS

The auditors, Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the board to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Council


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Lorraine Spector - Secretary

25/7/2000

REPORT OF THE AUDITORS, COHEN ARNOLD & CO.

TO THE MEMBERS

- OF -

JEWISH ASSOCIATION FOR BUSINESS ETHICS

(LIMITED BY GUARANTEE)

We have audited the Financial Statements on pages 4 to 11 which have been prepared under the historical cost convention and the Accounting Policies set out in Note 1.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS (TRUSTEES) AND AUDITORS

As indicated in the Governors' (Trustees') Report, the Company's Governors (Trustees) are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on the Financial Statements and to report our opinion to you.

BASIS OF OPINION

We have conducted our audit in accordance with Auditing Standards 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 by the Governors (Trustees) in the preparation of the Financial Statements and of whether the accounting policies are appropriate to the Group'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 and to give reasonable assurance that the Financial Statements are free from material mis-statement, 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.

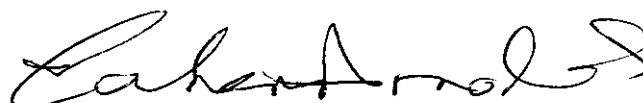
As is usual with charitable organisations, the Company derives income from voluntary donations which, although not capable of being subject to independent verification, we believe to have been accounted for correctly and, accordingly, our opinion is not qualified in this respect.

OPINION

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company and of the Group at 31 December 1999 and of the Results of the Group for the year then ended, and have been properly prepared in accordance with the Companies' Act 1985.

London

Date: 25 JULY 2000



COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditor

JEWISH ASSOCIATION FOR BUSINESS ETHICS
AND SUBSIDIARY UNDERTAKING
(LIMITED BY GUARANTEE)

CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
(STATEMENT OF FINANCIAL ACTIVITIES)
FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	£	1999	£	1998	£
INCOME AND EXPENDITURE						
Incoming Resources						
Donations Received	1.4		78,283		119,225	
Other Income Received	1		46,388		15,484	
Net Income/(Deficit) of Trading Subsidiary	3		470		(1,481)	
Total Incoming Resources			125,141		133,228	
Resources Expended						
Direct Charitable Expenditure:						
Educational Projects		39,338		30,568		
Other Expenditure:						
Management and Administration	4	92,512		88,598		
Total Resources Expended			(131,850)		(119,166)	
Net (Outgoing)/Incoming Resources and Net Movement of Funds	5		(6,709)		14,062	
Unrestricted Funds Brought Forward			(6,072)		(20,134)	
Unrestricted Funds Carried Forward			£(12,781)		£(6,072)	

None of the Company's activities was initiated or discontinued during the financial year nor in the previous year.

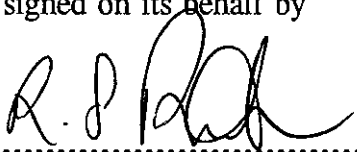
The notes on pages 7 to 11 form part of these Financial Statements.

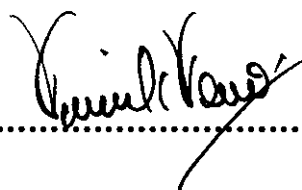
JEWISH ASSOCIATION FOR BUSINESS ETHICS
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(LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 1999

		<u>1999</u>	<u>1998</u>
	Notes	£	£
FIXED ASSETS			
Tangible Assets	6	672	1,340
CURRENT ASSETS			
Debtors	8	10,000	591
Cash at Bank and in Hand		81	81
		<hr/> 10,081	<hr/> 672
CREDITORS: Amounts falling due within one year	9	(23,534)	(8,084)
NET CURRENT LIABILITIES		<hr/> (13,453)	<hr/> (7,412)
NET LIABILITIES		<hr/> £(12,781) <hr/>	<hr/> £(6,072) <hr/>
UNRESTRICTED FUNDS			
Other Charitable Funds		(11,678)	(4,499)
Non-Charitable Funds	3	(1,103)	(1,573)
		<hr/> £(12,781) <hr/>	<hr/> £(6,072) <hr/>

The Financial Statements were approved by the Council on 25 JULY 2000
and signed on its behalf by

.....


.....


GOVERNORS (TRUSTEES)

The notes on pages 7 to 11 form part of these Financial Statements.

JEWISH ASSOCIATION FOR BUSINESS ETHICS
(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31 DECEMBER 1999

		<u>1999</u>	<u>1998</u>
	Notes	£	£
FIXED ASSETS			
Investments	7	2	2
CURRENT ASSETS			
Debtors	8	10,000	1,671
Cash at Bank and in Hand		81	81
		<hr/> 10,081	<hr/> 1,752
CREDITORS: Amounts falling due within one year	9	(21,761)	(6,253)
		<hr/> (11,680)	<hr/> (4,501)
NET CURRENT LIABILITIES			
		<hr/> £(11,678)	<hr/> £(4,499)
		<hr/> <hr/>	<hr/> <hr/>
UNRESTRICTED FUNDS			
Other Charitable Funds		£(11,678)	£(4,499)
		<hr/> <hr/>	<hr/> <hr/>

The Financial Statements were approved by the Council on *25 July* 2000
and signed on its behalf by

R. J. [Signature]
.....

[Signature]
.....

GOVERNORS (TRUSTEES)

The notes on pages 7 to 11 form part of these Financial Statements.

JEWISH ASSOCIATION FOR BUSINESS ETHICS
AND SUBSIDIARY UNDERTAKING
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the Group's Financial Statements.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the Historical Cost Convention and in accordance with applicable Accounting Standards (Statement of Recommended Practice - Accounting by Charities, SORP2).

1.2 CONSOLIDATION

A separate income and expenditure account dealing with the results of the Company only has not been presented, in accordance with Section 230 (4) Companies Act 1985.

1.3 INVESTMENT IN SUBSIDIARY UNDERTAKINGS AND LISTED INVESTMENTS

Share-holdings acquired are included at Market Value; any surplus or deficit on revaluation is taken to Revaluation Reserve.

1.4 DONATIONS RECEIVED

Donations Received represents income from grants and donations received by the Company, all such income and any tax recoverable being credited to the Income and Expenditure Account when received.

1.5 CASH FLOW STATEMENT

The Group is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No 1) on the basis of its being a "small company" as defined by Section 247 Companies Act 1985.

1.6 GOING CONCERN

The Financial Statements have been prepared on the basis that grants and donations will continue to be received from third parties to support the operations and activities undertaken by the Group.

JEWISH ASSOCIATION FOR BUSINESS ETHICS
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 as well as by Statement of Recommended Practice - Accounting by Charities with suitable adaptation thereof which the Governors (Trustees) consider to be appropriate having regard to the nature of the Group's activities.

3. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The Subsidiary Undertaking included within the Group Accounts is detailed in Note 7. A summary of its trading results is shown below. Audited accounts of the Subsidiary Undertaking have been filed with the Registrar of Companies.

PROFIT AND LOSS ACCOUNT	<u>1999</u> £	<u>1998</u> £
Turnover	11,500	3,800
Administrative Expenses	(8,757)	(5,288)
	<hr/>	<hr/>
OPERATING PROFIT/(LOSS)	2,743	(1,488)
Gift Aid Payment to Jewish Association for Business Ethics	(2,273)	-
	<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	470	(1,488)
Taxation	-	7
	<hr/>	<hr/>
PROFIT/(LOSS) AFTER TAXATION	470	(1,481)
RETAINED IN SUBSIDIARY	470	(1,481)
RESERVES BROUGHT FORWARD	(1,573)	(92)
	<hr/>	<hr/>
RESERVES CARRIED FORWARD	£(1,103)	£(1,573)
	<hr/> <hr/>	<hr/> <hr/>

JEWISH ASSOCIATION FOR BUSINESS ETHICS
AND SUBSIDIARY UNDERTAKING
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

4. MANAGEMENT AND ADMINISTRATION

	<u>1999</u>	<u>1998</u>
	£	£
Salaries and Related Costs	66,141	64,484
Employer's Social Security Contributions	6,374	6,200
Auditors' Remuneration	705	735
Office and Administration Costs	19,292	17,179
	<hr/>	<hr/>
	92,512	£88,598
	<hr/>	<hr/>

The average number of employees during the year was three (1998 : three).

5. NET MOVEMENT OF FUNDS

Of the Net Movement of Funds of the Group an amount of £(7,179) (1998:£15,543) has been dealt with in the Statement of Financial Activities of the Company itself.

JEWISH ASSOCIATION FOR BUSINESS ETHICS
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(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

6. TANGIBLE FIXED ASSETS

The Group		Office Equipment £
Cost		
	At 1 January 1999	2,676
	Additions	-
	At 31 December 1999	<u>£2,676</u>
Depreciation		
	At January 1999	1,336
	Charge for the year	668
	At 31 December 1999	<u>£2,004</u>
Net Book Value		
	At 31 December 1999	<u>£672</u>
	At 31 December 1998	<u>£1,340</u>

7. INVESTMENTS

Investment in Subsidiary Undertaking

	<u>1999</u> £	<u>1998</u> £
Integrity Publications Ltd - Incorporated in England	<u>£2</u>	<u>£2</u>

The value of the Investment in the Subsidiary Undertaking is based on the underlying value of assets less liabilities of the Subsidiary Undertaking. All assets thereof are based on Trustee Valuation at the Balance Sheet date.

JEWISH ASSOCIATION FOR BUSINESS ETHICS
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

8. DEBTORS

	The Group		The Company	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
	£	£	£	£
Other Debtors	10,000	591	10,000	1,671
	10,000	£591	£10,000	£1,671

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
	£	£	£	£
Bank Loans & Overdrafts	2,609	2,763	3,183	2,308
Trade Creditors	-	1,256	-	-
Loan Creditor	15,000	-	15,000	-
Corporation Tax Payable	-	-	-	-
Other Taxes and Social Security Costs	249	1,756	-	1,636
Other Creditors and Accruals	5,676	2,309	3,578	2,309
	£23,534	£8,084	£21,761	£6,253