

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

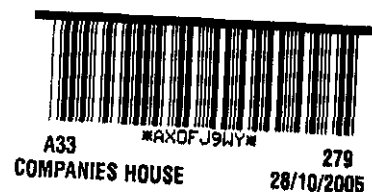
**Company No: 2931643**

**Charity No: 1038453**

**REPORT AND FINANCIAL STATEMENTS**

**for the year ended**

**31 DECEMBER 2004**



**COHEN ARNOLD & CO**  
**CHARTERED ACCOUNTANTS**  
**REGISTERED AUDITOR**  
**LONDON NW11 0PU**

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**

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**FOR THE YEAR ENDED 31 DECEMBER 2004**

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**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**TRUSTEES**

David John Brecher  
Alexander Paul Brick  
Julia Sarah Chain  
Sir Trevor Chinn, CVO  
Sidney Corob, CBE  
Daniel I Dover  
Lord Anthony Grabiner, QC  
Lord Stanley Kalms, Hon D Litt  
Clive Maurice Marks  
Lord Mitchell  
Maurice Moses  
Robert Abraham Perlman  
Gerald Rothman  
Robert Stephen Rubin  
Clinton Vita Silver, CBE  
Alexander Michael Sorkin  
Michael John Teacher  
Rosalind Wright, CB  
Stephen A Zimmerman (Resigned on 31 December 2004)  
Lloyd Marshall Dorfman (Appointed on 8 July 2004)  
David Alan Bernstein (Appointed on 15 September 2004)  
David Alan Ezra Dangoor (Appointed on 7 February 2005)

**SECRETARY**

Lorraine Spector

**REGISTERED OFFICE**

New Burlington House  
1075 Finchley Road  
LONDON NW11 0PU

**AUDITORS**

Cohen Arnold & Co  
New Burlington House  
1075 Finchley Road  
LONDON NW11 0PU

**PRINCIPAL BANKERS**

Lloyds Bank plc

**COMPANY NUMBER**

2931643

**REGISTERED CHARITY NUMBER**

1038453

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**  
**COUNCIL'S (TRUSTEES') REPORT**

The Trustees have pleasure in presenting their Annual Report together with the Financial Statements of the Company for the year ended 31 December 2004.

**LEGAL AND ADMINISTRATIVE INFORMATION**

The Charity is constituted as a Company Limited by Guarantee, and is therefore governed by its Memorandum and Articles of Association.

The Company is controlled by its Council of Trustees, day to day administration being undertaken by the Executive Director who is also the Company Secretary.

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

**REVIEW OF ACTIVITIES**

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 2004 are fully reflected in the attached Financial Statements together with the Notes thereon.

**TRUSTEES**

The Trustees who served during the year and continue in office are as named under Legal and Administrative Information on page 1.

**RESERVES POLICY**

It is the Charity's policy to maintain unrestricted funds in order to continue its educational projects at a level consistent with those that have been maintained in recent years. The Trustees consider that the funds are adequate and will continue to review the funds periodically.

**RISK MANAGEMENT**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate its exposure to those risks.

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**

**(LIMITED BY GUARANTEE)**

**COUNCIL'S (TRUSTEES') REPORT**

**(CONTINUED)**

**TRUSTEES' RESPONSIBILITIES**

The Trustees are required to prepare Financial Statements for each financial year which give a true and fair view of the financial activities of the Company and of its financial position at the end of that year. In preparing the Financial Statements, the Trustees are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) state whether the policies adopted are in accordance with the Companies Act 1985, applicable Accounting Standards and Statements of Recommended Practice, SORP 2000, 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 operation.

The 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**

  
Lorraine Spector - Secretary

**Dated: 20 October 2005**

## **REPORT OF THE AUDITORS**

### **TO THE MEMBERS**

**- OF -**

### **JEWISH ASSOCIATION FOR BUSINESS ETHICS**

We have audited the Financial Statements on pages 6 to 10 which have been prepared under the historical cost convention and the Accounting Policies set out in Note 1.

This Report is made solely to the Company's members as a body, in accordance with Section 235 of the Company's 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 TRUSTEES AND AUDITORS**

As indicated in their Report, the Trustees are responsible for the preparation of Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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. We also report to you if, in our opinion, the Council's (Trustees') Report is not consistent with the Financial Statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for an audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed. We are not required to consider whether the statement in the Trustees' Report concerning risk management covers all existing risks and controls or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Report of the Council (Trustees) and consider the implications for our Report if we became aware of any apparent misstatements within it.

#### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 made by the Trustees 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.

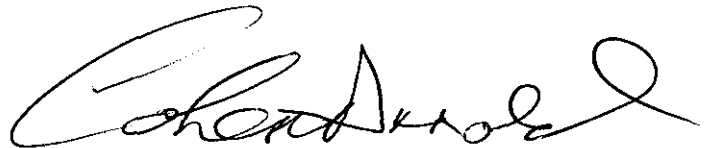
**REPORT OF THE AUDITORS**  
**TO THE MEMBERS**  
**OF**  
**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**YEAR ENDED 31 DECEMBER 2004**

**BASIS OF AUDIT OPINION - Continued**

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 31 December 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



London

Date: 20 October 2005

COHEN ARNOLD & CO.  
Chartered Accountants and  
Registered Auditors

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

**INCOME & EXPENDITURE ACCOUNT**

**(STATEMENT OF FINANCIAL ACTIVITIES)**

**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Notes	£	<u>2004</u>	£	£	<u>2003</u>	£
<b>INCOME AND EXPENDITURE</b>							
<b>Incoming Resources</b>							
Donations Received	1.4, 3		159,465			131,935	
Other Income Received			32,477			56,240	
Total Incoming Resources			191,942			188,175	
<b>Resources Expended</b>							
<b>Charitable Expenditure:</b>							
Educational Projects		126,874			118,390		
Management and Administration	4	87,622			87,020		
<b>Cost of generating funds:</b>							
Fund Raising		5,803			2,586		
<b>Total Resources Expended</b>			(220,299)			(207,996)	
<b>Net Resources Expended and</b>							
<b>Net Movement in Unrestricted Funds</b>							
			(28,357)			(19,821)	
<b>Unrestricted Funds Brought Forward</b>			(7,379)			12,442	
<b>Unrestricted Deficit of Funds Carried Forward</b>			£(35,736)			£(7,379)	

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

The Charity has no recognised gains or losses other than those reflected in the above Statement of Financial Activities for the year nor for the previous year.

The notes on pages 8 to 10 form part of these Financial Statements.

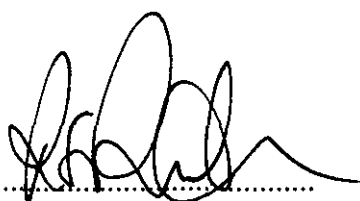
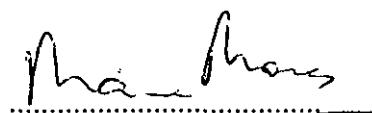


**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

**BALANCE SHEET AS AT 31 DECEMBER 2004**

	Notes	£	<u>2004</u>	£	£	<u>2003</u>	£
<b>CURRENT ASSETS</b>							
Debtors	5		1,869			27,500	
Cash at Bank and in Hand			87			87	
			<hr/>			<hr/>	
			1,956			27,587	
<b>CREDITORS: Amounts falling due within one year</b>							
	6		(37,692)			(34,966)	
			<hr/>			<hr/>	
<b>NET CURRENT LIABILITIES - DEFICIENCY IN NET ASSETS</b>							
			£(35,736)			£(7,379)	
			<hr/>			<hr/>	
<b>UNRESTRICTED FUNDS</b>							
Total (Deficit of Funds)/Total Funds			£(35,736)			£(7,379)	
			<hr/>			<hr/>	

The Financial Statements were approved by the Council on 20 October 2005 and signed on its behalf by

**TRUSTEES**

The notes on pages 8 to 10 form part of these Financial Statements.

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2004**

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in the preparation of the Company'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, SORP 2000 (Revised).

**1.2 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.

**1.3 PENSION COSTS**

The cost of providing pension and related benefits is charged to the SOFA when paid and is allocated to relevant expenditure by reference to the employees concerned.

**1.4 CASH FLOW STATEMENT**

The Company 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.

**1.5 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 Company.

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2004**

**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 and Reporting by Charities (Revised 2000) with suitable adaptation thereof which the Trustees consider to be appropriate having regard to the nature of the Company's activities.

**3. DONATIONS RECEIVED**

	<b><u>2004</u></b>	<b><u>2003</u></b>
	<b>£</b>	<b>£</b>
Trustees	86,900	71,500
Gifts in Kind	25,000	25,000
Others	47,565	35,435
	<hr/>	<hr/>
	£159,465	£131,935
	<hr/>	<hr/>

Gifts in kind comprise free use of office accommodation provided by Lex Service Plc. A corresponding amount is included within office and administration costs in Note 4.

**4. MANAGEMENT AND ADMINISTRATION**

	<b><u>2004</u></b>	<b><u>2003</u></b>
	<b>£</b>	<b>£</b>
Salaries and Related Costs	19,688	18,796
Employer's Social Security Contributions	10,308	9,721
Pension Costs	5,250	5,250
Auditors' Remuneration	1,200	1,200
Office and Administration Costs	51,176	47,806
Costs of 10 <sup>th</sup> Anniversary Reception	-	4,247
	<hr/>	<hr/>
	£87,622	£87,020
	<hr/>	<hr/>

The average number of employees during the year was four (2003 : four).

Included within Office and Administration Costs is an amount of £25,000 representing the value of office accommodation provided to the Charity free of charge.

Neither the trustees nor any persons connected with them have received any remuneration.

**JEWISH ASSOCIATION FOR BUSINESS ETHICS**  
**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2004**

**5. DEBTORS**

	<b><u>2004</u></b>	<b><u>2003</u></b>
	<b>£</b>	<b>£</b>
Other Debtors and Prepayments	£1,869	£27,500
	<hr/>	<hr/>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b><u>2004</u></b>	<b><u>2003</u></b>
	<b>£</b>	<b>£</b>
Bank Overdraft	12,293	10,749
Loan Creditor	15,000	10,000
Other Taxes and Social Security Costs	2,842	2,874
Other Creditors and Accruals	7,557	11,343
	<hr/>	<hr/>
	£37,692	£34,966
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