

*COMPANY NO: 3703278*

*CHARITY NO: 1077180*

# 'AMENDING'

**KOLLEL AND CO LIMITED**

**FINANCIAL ACCOUNTS**

**YEAR ENDED 31 JANUARY 2011**

SATURDAY



\*A11K55F\*

A27

28/01/2012

#483

COMPANIES HOUSE

*LIEBERMAN & CO  
CHARTERED CERTIFIED ACCOUNTANTS  
2L CARA HOUSE  
339 SEVEN SISTERS ROAD  
LONDON, N15 6RD*

**KOLLEL AND CO LIMITED**

GOVERNED BY A MEMORANDUM AND ARTICLES OF ASSOCIATION

YEAR ENDED 31 JANUARY 2011

Director/Trustee

S Low

J Lipschitz

Z Rothschild

Charity Number

1077180

Company Number

3703278

Registered Office

2L Cara House

339 Seven Sisters Road

LONDON, N15 6RD

Bankers

Barclays Bank plc

114 Fenchurch Street

LONDON, EC3P 3HY

Bank of Scotland

Telford House

3 Mid New Cultins

EDINBURGH, EH11 4DH

Accountants & Auditors

Lieberman &amp; Co

2L Cara House

339 Seven Sisters Road

LONDON, N15 6RD

**KOLLEL AND CO LIMITED**  
**DIRECTORS'/TRUSTEES' REPORT**  
**YEAR ENDED 31 JANUARY 2011**

The directors/trustees present their report together with the accounts in respect of the year ended 31 January 2011

*Objects of the Charity, Principal Activities and Organisation of our Work*

The charity is constituted as a company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association. There are no investment restrictions. The objects of the charity are

- 1 The advancement of education and religion in accordance with the doctrines of the Jewish Religion
- 2 The relief of poverty

The charity is organised so that all decisions are made by a majority vote of the Directors/Trustees

*Developments, Activities and Achievements this Year*

The charity continued on its course of providing grants during the year. There has been no change in the policies of the charity over the last year. The principal continuing source of income is from the investment portfolio.

*Transactions and Financial Position*

There have been no major changes in the charity's financial position. Grants of £711,874 (2010 £516,517) were made during the year. Further details are shown in Note 3, which forms part of this report. The assets are income producing.

*Reserves*

The reserves of £1,686,529 (2010 £2,028,429) represent the fixed assets and funds not yet distributed.

*Risks*

The major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks.

*Grant Policy*

Grants are made upon application by the charity concerned. Grants are made in amounts thought appropriate by the Directors/Trustees.

*Directors/Trustees and management*

The directors of the company (S Low, J Lipschitz and Z Rothschild) are also trustees of the charity and there are no other trustees. The directors/trustees confirm that they have complied with the duty in Section 4 of the Charity Act 2006 to have due regard to guidance published by the Charity Commission, including public benefit guidance. The Board has the power to appoint additional trustees as it considers fit. The day to day running of the charity is delegated to the secretary, Mr A Low.

The information on page 1 and note 3 is part of this report

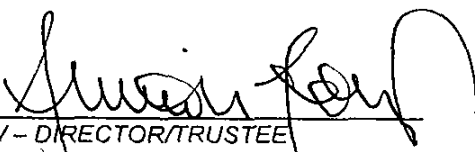
## KOLLEL AND CO LIMITED

## CONTINUATION OF DIRECTORS'/TRUSTEES' REPORT

YEAR ENDED 31 JANUARY 2011

As far as each director/trustee is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditor is unaware. Each director/trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

*In preparing this report, advantage has been taken of the exemptions available to small companies under the Companies Act 2006.*

  
S LOW - DIRECTOR/TRUSTEE  
ON BEHALF OF THE BOARD

2012

## KOLLEL AND CO LIMITED

YEAR ENDED 31 JANUARY 2011

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOLLEL AND CO LIMITED

We have audited the financial statements of Kollel and Co Limited for the year ended 31 January 2011 as set out on pages 6 to 12. The financial report framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the directors'/trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly, we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standards – Provisions Available for Small Entities, in the circumstances set out in Note 13 to the financial statements.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors/trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors'/trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### BASIS FOR QUALIFIED OPINION

Because we were appointed auditors of Kollel and Co Limited during 2011, we were not able to audit the previous year's figures and determine whether adjustments to the results and state of affairs for the year ended 31 January 2010 might be necessary. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

#### QUALIFIED OPINION

In our opinion, except for the possible effects on the corresponding figures of the matter described in the Basis of Qualified Opinion paragraph, the financial statements

**KOLLEL AND CO LIMITED**

YEAR ENDED 31 JANUARY 2011

**CONTINUATION OF INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF KOLLEL AND CO LIMITED**

- Give a true and fair view of the state of the charitable company's affairs as at 31 January 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- Have been prepared in accordance with the requirements of the Companies Act 2006

**MATTERS OF WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion,

- The information given in the Directors'/Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- The charitable company has not kept adequate accounting records, or
- The financial statements are not in agreement with the accounting records and returns, or
- We have not received all the information and explanations we require for our audit

MR JONAH TUNK FCCA  
REGISTERED STATUTORY AUDITOR  
LIEBERMAN & CO  
CHARTERED CERTIFIED ACCOUNTANTS  
2L CARA HOUSE  
339 SEVEN SISTERS ROAD  
LONDON, N15 6RD

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KOLLEL AND CO LIMITED  
YEAR ENDED 31 JANUARY 2011  
  
INCOME AND EXPENDITURE ACCOUNT  
  
AND  
  
STATEMENT OF FINANCIAL ACTIVITIES


<u>Notes</u>	<u>2011</u>	<u>2010</u>
	<u>Unrestricted</u>	<u>Unrestricted</u>
<u>Incoming Resources</u>		
Donations Received	890,000	280,000
Rents from UK Investment Properties	171,744	187,584
Bank Interest Received	24	18
Other Interest Receivable	15,185	8,704
Other Income	<u>100</u>	<u>100</u>
	<u>1,077,053</u>	<u>476,406</u>
<u>Resources Expended</u>		
Costs of Generating Rental Income 2	18,628	20,190
Charitable Activities		
Grants Made 3	711,874	516,517
Governance 4	<u>22,388</u>	<u>19,791</u>
	<u>734,262</u>	<u>536,308</u>
	<u>752,890</u>	<u>556,498</u>
Net Income/(Expenditure) for the Year	324,163	(80,092)
Loss on Revaluation of Assets	<u>775,000</u>	-
	(450,837)	(80,092)
Prior Year Adjustment 5	<u>108,937</u>	-
	(341,900)	(80,092)
Total Funds Brought Forward	<u>2,028,429</u>	<u>2,217,458</u>
Total Funds Carried Forward	<u>1,686,529</u>	<u>2,137,366</u>

**KOLLEL AND CO LIMITED**  
 COMPANY NO 3703278  
 BALANCE SHEET AS AT 31 JANUARY 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
			<u>As Restated</u>
<b>FIXED ASSETS</b>			
UK Property	6	1,675,000	2,450,000
Furniture & Fittings	7	768	1,024
Office Equipment	8	<u>93</u>	<u>124</u>
		1,675,861	2,451,148
<b>CURRENT ASSETS</b>			
Debtors	9	246,745	103,982
Cash at Bank and in Hand		<u>155,245</u>	<u>3,623</u>
		401,990	107,605
<b>CREDITORS</b> amounts falling due within one year	10	<u>79,548</u>	<u>86,625</u>
<b>Net Current Assets</b>		<u>322,442</u>	<u>20,980</u>
		1,998,303	2,472,128
<b>Creditors</b> amounts falling due after one year	11	<u>311,774</u>	<u>334,762</u>
		<u>1,686,529</u>	<u>2,137,366</u>
<u>Represented By -</u>			
*Profit and Loss Account (Unrestricted Funds)		<u>1,686,529</u>	<u>2,137,366</u>
*Included in this is Revaluation Reserve		535,349	1,310,349

*These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)*

*These financial statements were approved by the directors and are signed on their behalf by*

  
 S LOW - DIRECTOR/TRUSTEE

\_\_\_\_\_ 2012



# KOLLEL AND CO LIMITED

YEAR ENDED 31 JANUARY 2011

## NOTES TO THE ACCOUNTS

### 1 BASIS OF PREPARATION OF THE ACCOUNTS

#### a) Statement of Director's/Trustee's Responsibility for Preparing the Accounts

Company law requires the directors/trustees to prepare financial statements and directors'/trustees' report for each financial year, which give a true and fair view of the state of affairs of the company at the end of the year and of the result for the year then ended in accordance with applicable law and regulations and United Kingdom Generally Accepted Accounting Practice and observe the methods and principles of the Charity SORP

The directors/trustees must not approve the financial statements unless they are satisfied that they gave a true and fair view of the state of affairs of the company and of its result

In preparing those financial statements, the directors/trustees are required to

- ❖ Select suitable accounting policies and then apply them consistently,
- ❖ The directors/trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the trust deed. They 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
- ❖ 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 business

#### b) Accounting Convention and Policies

The accounts have been prepared under the historical cost convention except for the revaluation of certain assets and in accordance with applicable accounting standards, including the SORP 2005 and the FRSE (effective April 2008) and the Companies Act 2006

#### c) Activities

All activities were continuing

#### d) UK Investment Properties

The properties were valued by the directors/trustees based upon the location of the properties and the returns thereon as at the balance sheet date. Properties are not depreciated

This is in accordance with FRSE, which unlike the Companies Act 2006 does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view

#### e) Depreciation

Depreciation is charged on furniture and fittings and office equipment at 25% on the reducing balance method. This is calculated so as to write off its cost, less its residual value, over its economic useful life

#### f) Rents

Rents and similar charges are shown net of VAT

## KOLLEL AND CO LIMITED

YEAR ENDED 31 JANUARY 2011

## NOTES TO THE ACCOUNTS

## 2 COSTS OF GENERATING FUNDS

	<u>2011</u>	<u>2010</u>
Ground Rent	213	1,028
Professional Fees	-	264
Light and Heat	57	88
Insurance	11,839	4,672
Administration Wages*	6,307	6,292
Repairs and Maintenance	-	7,846
Sundry Property Costs	<u>212</u>	<u>-</u>
	<u>18,628</u>	<u>20,190</u>
* One Part Time Employee		
Gross Wages	6,240	6,240
NIC	<u>67</u>	<u>52</u>
	<u>6,307</u>	<u>6,292</u>

There were no employees whose emoluments exceed £60,000

## 3 CHARITABLE GRANTS MADE

All charitable grants were made to Institutions

Ambulance	1,000	-
Education Etc (Includes £3,000 for building maintenance)	92,319	49,610
General	146,850	149,530
Integrated Nursery	800	250
Medical Costs	770	-
Needy	30,100	12,250
Orphanage	2,700	2,500
Preservation of Cemeteries	1,360	-
Provision of Religious Facilities	1,800	-
Publication of Religious Books	37,960	45,000
Relief of Poverty	145,430	76,300
Religious Institutions	80,710	113,100
Special Needs Home	180	-
Synagogues (includes 5,000 for building)	141,274	57,480
Talmudical Colleges	8,621	2,497
Training	<u>20,000</u>	<u>8,000</u>
	<u>711,874</u>	<u>516,517</u>

## KOLLEL AND CO LIMITED

YEAR ENDED 31 JANUARY 2011

## NOTES TO THE ACCOUNTS

## Large Grants -

General – Ezer V'hatzolah	£120,350
Publication of Religious books – Hadras Kodesh Trust	£37,960
Religious Institutions - Tchaba Kollel	£35,000
Relief of Poverty	
- Shaarei Chesed (London)	£45,000
- Sheves Achim Reception Trust	£56,000
Synagogues	
- Congregation Ahavas Tzedekoh	£52,870
- Congregation Beer Moshe	£35,573

## 4 GOVERNANCE EXPENSES

*These are split as to -*

	<u>2011</u>	<u>2010</u>
Bank Charges and Interest	16,781	17,820
Accountancy and Independent Examination*	5,219	1,500
Depreciation	287	383
General Expenses	<u>101</u>	<u>88</u>
	<u>22,388</u>	<u>19,791</u>

* Accountancy	2,000	1,000
Independent Examination	-	500
Audit	<u>3,219</u>	<u>-</u>
	<u>5,219</u>	<u>1,500</u>

No sums have been paid to the directors/trustees

## 5 PRIOR YEAR ADJUSTMENT

The prior year adjustment is a debt written off

## 6 PROPERTY

Freehold Investment Property in the UK

- at valuation	1,100,000	1,600,000
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Long Leasehold Investment Property in the UK

- at valuation	<u>575,000</u>	<u>850,000</u>
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	<u>1,675,000</u>	<u>2,450,000</u>
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- at cost	<u>1,139,651</u>	<u>1,139,651</u>
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## KOLLEL AND CO LIMITED

YEAR ENDED 31 JANUARY 2011

## NOTES TO THE ACCOUNTS

## 7 FURNITURE &amp; FITTINGS

Cost	1,820	1,820
Deprecation - brought forward	796	455
- charge for the year	<u>256</u> <u>1,052</u>	<u>341</u> <u>796</u>
	<u>768</u>	<u>1,024</u>

## 8 OFFICE EQUIPMENT

Cost	700	700
Deprecation - brought forward	576	534
- charge for the year	<u>31</u> <u>607</u>	<u>42</u> <u>576</u>
	<u>93</u>	<u>124</u>

2011 2010

## 9 DEBTORS

Trade Debtors	-	191
Sundry Debtors	233,787	95,501
Prepayments and Accruals	<u>12,958</u>	<u>8,290</u>
	<u>246,745</u>	<u>103,982</u>

## 10 CREDITORS amounts falling due

As Restated

<i>within one year</i>		
Bank Loan (Secured on one of the Charity's properties)	39,420	39,420
Trade Creditors	28,130	26,279
Taxation & NIC	423	5,295
Sundry Creditors	10,512	12,920
Sundry Accruals	<u>1,063</u>	<u>2,711</u>
	<u>79,548</u>	<u>86,625</u>

11 CREDITORS amounts falling due  
after one year

Bank Loan (Secured on one of the Charity's properties) 311,774 334,762

Of this £39,420 (2010 £39,420) was due in 1-2 years, £118,260 (2010 £118,260) in 2-5 years and £177,082 in more than five years

**KOLLEL AND CO LIMITED**  
**YEAR ENDED 31 JANUARY 2011**  
**NOTES TO THE ACCOUNTS**

**12 RELATED PARTY TRANSACTIONS**

The Charitable Company is controlled by the members of the Board

As at the year-end the Charitable Company owed S Low (a director/trustee) £6,552 (2010 £8,920)

Companies controlled by members of the Low family owed the Company £225,366 (2010 £91,123) Mr A Low (son of S Low) owed the Charitable Company £7,568 (2010 £7,525) On these loans interest of £10,516 (2010 £8,704) was receivable These loans are repayable by mutual consent Except for the loan with Alow Estates Ltd at £2,083 (2010 £4,000) which was guaranteed by Abraham Low, these loans were all guaranteed by Simon Low

**13 AUDITORS**

In common with many other entities of our size and nature, we use our auditors to assist with the preparation of the financial statements