

Areivim
Unaudited Financial Statements
31 July 2017

HAS LTD

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

Areivim

Financial Statements

Year ended 31 July 2017

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Areivim

Trustees' Annual Report

Year ended 31 July 2017

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 July 2017.

Reference and administrative details

Registered charity name	Areivim
Charity registration number	1125655
Principal office	10 Rydal Street Gateshead Tyne & Wear NE8 1HG
The trustees	L Levison D Toledano J Adler (Appointed 5 February 2017)
Accountants	HAS Ltd Chartered accountant Prince Albert House 2b Mather Avenue Prestwich Manchester M25 0LA

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Trustees' Annual Report *(continued)*

Year ended 31 July 2017

Structure, governance and management

Areivim is constituted under a trust deed dated 25 July 2008. It is a registered charity number 1125655.

Recruitment and appointment of new trustees would be in line with the Trust Deed 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 is no chief executive officer. The day to day affairs are undertaken by Mr A Sugarman on behalf of the trustees. All major decisions are taken collectively by the trustees 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 arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

A policy and procedure for the induction and training of new trustees is currently being developed and will be implemented in the coming year.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective tuition or grant making. These risks are managed by the trustees employing the services of appropriately trained staff and reviewing procedures for grant making regularly.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all tuition and grants.

Areivim

Trustees' Annual Report *(continued)*

Year ended 31 July 2017

Objectives and activities

The objects of the charity are:

1) To act as a resource for young people living in Gateshead by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

a) Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;

b) Advancing education and

c) Relieving unemployment.

2) To advance the education of children and young people in Gateshead by providing or assisting in the provision of education services, facilities, grants and bursaries.

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 is funded by donations. The charity gives out grants in line with the above objects.

Grants made during the year to institutions are as detailed in the accounts.

The application of the funds by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each objects. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

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Trustees' Annual Report *(continued)*

Year ended 31 July 2017

Achievements and performance

The charity received £71,475 in donations during the year out of which £13,243 was paid out by way of teaching, other direct expenditure & support costs and £52,250 was paid out for scholarships. This expenditure is in line with the stated objects of the charity.

The charity had low governance costs.

There were no investments made during the year.

There were no fund raising costs incurred during the year.

There were no related party transactions in the reporting period.

There was an overall net incoming of resources for the year amounting to £5,382.

Financial review

Review of activities and achievements

The charity funded various educational projects in line with the trust deed and also paid out scholarships and bursaries in line with the objects of the charity.

Development

The long term aim is to continue the activities outlined above.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The trustees wish to keep reserves as low as possible in order to maximise paying out of grants.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve practical for donations which are seasonal.

The reserves stand at £25,086 all of which is attributable to the unrestricted fund.

The trustees' annual report was approved on 22 April 2018 and signed on behalf of the board of trustees by:

D Toledano

Trustee

Areivim

Independent Examiner's Report to the Trustees of Areivim

Year ended 31 July 2017

I report to the trustees on my examination of the financial statements of Areivim ('the charity') for the year ended 31 July 2017.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

HAS LTD

Chartered accountant

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

22 April 2018

Areivim

Statement of Financial Activities

31 July 2017

		2017		2016
		Unrestricted		
	Note	funds	Total funds	Total funds
		£	£	£
Income and endowments				
Donations and legacies	4	71,475	71,475	79,383
Total income		<u>71,475</u>	<u>71,475</u>	<u>79,383</u>
Expenditure				
Expenditure on charitable activities	5,6	66,093	66,093	68,653
Total expenditure		<u>66,093</u>	<u>66,093</u>	<u>68,653</u>
Net income and net movement in funds		<u>5,382</u>	<u>5,382</u>	<u>10,730</u>
Reconciliation of funds				
Total funds brought forward		19,704	19,704	8,974
Total funds carried forward		<u>25,086</u>	<u>25,086</u>	<u>19,704</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

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Statement of Financial Position

31 July 2017

		2017		2016
		£	£	£
Current assets				
Cash at bank and in hand		25,686		20,304
Creditors: amounts falling due within one year	12	600		600
		<u> </u>		<u> </u>
Net current assets			25,086	19,704
			<u> </u>	<u> </u>
Total assets less current liabilities			25,086	19,704
			<u> </u>	<u> </u>
Net assets			25,086	19,704
			<u> </u>	<u> </u>
Funds of the charity				
Unrestricted funds			25,086	19,704
			<u> </u>	<u> </u>
Total charity funds	13		25,086	19,704
			<u> </u>	<u> </u>

These financial statements were approved by the board of trustees and authorised for issue on 22 April 2018, and are signed on behalf of the board by:

D Toledano
Trustee

The notes on pages 8 to 13 form part of these financial statements.

Areivim

Notes to the Financial Statements

Year ended 31 July 2017

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is 10 Rydal Street, Gateshead, Tyne & Wear, NE8 1HG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

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.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

3. Accounting policies *(continued)***Financial instruments** *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Donations				
Donations	<u>71,475</u>	<u>71,475</u>	<u>79,383</u>	<u>79,383</u>

Areivim

Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Teaching and other direct expenditure	9,696	9,696	67,751	67,751
Scholarship	52,250	52,250	—	—
Support costs	4,147	4,147	902	902
	<u>66,093</u>	<u>66,093</u>	<u>68,653</u>	<u>68,653</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2017 £	Total fund 2016 £
Teaching and other direct expenditure	9,696	—	3,547	13,243	68,053
Scholarship	—	52,250	—	52,250	—
Governance costs	—	—	600	600	600
	<u>9,696</u>	<u>52,250</u>	<u>4,147</u>	<u>66,093</u>	<u>68,653</u>

7. Analysis of support costs

	Analysis of support costs £	Total 2017 £	Total 2016 £
Staff costs	1,377	1,377	—
General office	2,171	2,171	302
Governance costs	600	600	600
	<u>4,148</u>	<u>4,148</u>	<u>902</u>

8. Analysis of grants

	2017 £	2016 £
Grants to institutions		
Scholarships	52,250	50,740
Total grants	<u>52,250</u>	<u>50,740</u>

9. Independent examination fees

	2017 £	2016 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	600	600

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	<u>10,792</u>	<u>12,686</u>

The average head count of employees during the year was 1 (2016: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Number of teaching staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

12. Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals and deferred income	<u>600</u>	<u>600</u>

13. Analysis of charitable funds

Unrestricted funds

	At 01 August 2016	Income	Expenditure	At 31 July 2017
	£	£	£	£
General funds	<u>19,704</u>	<u>71,475</u>	<u>(66,093)</u>	<u>25,086</u>

14. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	£	£	£
Current assets	25,686	25,686	20,304
Creditors less than 1 year	(600)	(600)	(600)
Net assets	<u>25,086</u>	<u>25,086</u>	<u>19,704</u>

Areivim

Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 August 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.

16. Taxation

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