

Charity registration number: 1119359

The Aarons Charitable Trust

Annual Report and Financial Statements

for the Year Ended 31 May 2018

Brooks Green
342 Regents Park Road
London
N3 2LJ

The Aarons Charitable Trust

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The Aarons Charitable Trust

Reference and Administrative Details

Trustees	S Aarons M Aarons B de Vries B Holder R Aarons
Principal Office	342 Regents Park Road London N3 2LJ
Charity Registration Number	1119359
Independent Examiner	Brooks Green 342 Regents Park Road London N3 2LJ

The Aarons Charitable Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 May 2018.

Objectives and activities

Public benefit

The charity purchased an ambulance during the year.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 13 February 2019 and signed on its behalf by:

.....
S Aarons
Trustee

The Aarons Charitable Trust

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 13 February 2019 and signed on its behalf by:

.....
S Aarons
Trustee

The Aarons Charitable Trust

Independent Examiner's Report to the trustees of The Aarons Charitable Trust

I report on the accounts of the charity for the year ended 31 May 2018 which are set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Brooks Green.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
David Harris
Brooks Green

342 Regents Park Road
London
N3 2LJ

14 February 2019

The Aarons Charitable Trust

Statement of Financial Activities for the Year Ended 31 May 2018

	Note	Unrestricted funds £	Total 2018 £	Total 2017 £
Income and Endowments from:				
Donations and legacies		660,686	660,686	2,500
Expenditure on:				
Charitable activities		<u>(60,600)</u>	<u>(60,600)</u>	<u>(2,018)</u>
Total Expenditure		<u>(60,600)</u>	<u>(60,600)</u>	<u>(2,018)</u>
Net movement in funds		600,086	600,086	482
Reconciliation of funds				
Total funds brought forward		<u>1,033</u>	<u>1,033</u>	<u>551</u>
Total funds carried forward	5	<u><u>601,119</u></u>	<u><u>601,119</u></u>	<u><u>1,033</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2017 is shown in note 5.

The Aarons Charitable Trust
(Registration number: 1119359)
Balance Sheet as at 31 May 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	4	601,119	-
Current assets			
Cash at bank and in hand		<u>-</u>	<u>1,033</u>
Net assets		<u><u>601,119</u></u>	<u><u>1,033</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>601,119</u>	<u>1,033</u>
Total funds	5	<u><u>601,119</u></u>	<u><u>1,033</u></u>

The financial statements on pages 5 to 10 were approved by the trustees, and authorised for issue on 13 February 2019 and signed on their behalf by:

.....
S Aarons
Trustee

The Aarons Charitable Trust

Notes to the Financial Statements for the Year Ended 31 May 2018

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Aarons Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The Aarons Charitable Trust

Notes to the Financial Statements for the Year Ended 31 May 2018

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

2 Income from donations and legacies

	Unrestricted funds		
	General	Total 2018	Total 2017
	£	£	£
Donations and legacies;			
Donations from individuals	660,061	660,061	2,500
Gift aid reclaimed	625	625	-
	<u>660,686</u>	<u>660,686</u>	<u>2,500</u>

The Aarons Charitable Trust

Notes to the Financial Statements for the Year Ended 31 May 2018

3 Taxation

The charity is a registered charity and is therefore exempt from taxation.

4 Fixed asset investments

	2018
	£
Other investments	<u>601,119</u>

The Aarons Charitable Trust

Notes to the Financial Statements for the Year Ended 31 May 2018

Other investments

	Unlisted investments £	Total £
Cost or Valuation		
Additions	601,119	601,119
At 31 May 2018	601,119	601,119
Net book value		
At 31 May 2018	601,119	601,119

5 Funds

	Balance at 1 June 2017 £	Incoming resources £	Resources expended £	Balance at 31 May 2018 £
Unrestricted funds				
General	(1,033)	(660,686)	60,600	(601,119)

	Balance at 1 June 2016 £	Incoming resources £	Resources expended £	Balance at 31 May 2017 £
Unrestricted funds				
General	(551)	(2,500)	2,018	(1,033)

6 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Fixed asset investments	601,119	601,119

7 Analysis of net funds

	At 1 June 2017 £	Cash flow £	At 31 May 2018 £
Cash at bank and in hand	1,033	(1,033)	-
Net debt	1,033	(1,033)	-