

COMPANY REGISTRATION NUMBER 06791806
CHARITY NUMBER 1135484

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Financial Statements
31 January 2017



COHEN ARNOLD
Chartered Accountants & Registered Auditors
New Burlington House
1075 Finchley Road
LONDON NW11 0PU

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Financial Statements
Year ended 31 January 2017

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Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 January 2017

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 January 2017.

Reference and administrative details

Registered charity name	Kosher Outlet Assistance Ltd
Charity registration number	1135484
Company registration number	06791806
Principal office and registered office	Churchill House 137-139 Brent Street London NW4 4DJ
The trustees	Mr J Perl Mr J Cope Mr I M Lerner (appointed on 1 December 2016) Mr D Fluss (appointed on 1 December 2016)
Auditor	Cohen Arnold Chartered Accountant & Statutory Auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU
Bankers	HSBC 897 Finchley Road London NW11 7NX

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 January 2017

Structure, governance and management

Governing documents

The charity is constituted as a company limited by guarantee and as such, its governing documents are its Memorandum and Articles of Association.

Its registered charity number is 1135484 and its company registration number is 06791806.

Appointment, training and recruitment of trustees

The trustees (as directors for company law purposes) may at any time co-opt any individual who is qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee.

New trustees are subject to trustee induction training which includes an understanding of the content of the Memorandum and Articles of Association, their legal obligations under Charity Act and Company Law, the organisational structure of Kosher Outlet Assistance Ltd and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events which enhance their knowledge and skill thereby improving the performance of their role.

Group structure and relationships

The charity owns the entire share capital of an operating subsidiary Kosher Outlet Ltd, a grocery retailer, incorporated in England and Wales, and its company registration number is 06791792.

Management of the group

The day to day operations of the subsidiary such as purchasing stock, sales and general operations are delegated to the management team working within Kosher Outlet Ltd. Large and one-off type transactions, premises, legal and financial related areas are undertaken and approved by the Trustees.

Trustees seek advice from their Accountants and other professionals. The Trustees have a strong connection to the local community and when the necessity arises they will avail themselves to the local professional for advice which is quite often provided pro-bona.

Related parties and co-operations with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee of the charity with a supplier company must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

None of the trustees have any beneficial interest in the charity.

Objectives and activities

The charity's objective is to relieve financial hardship among the people of the Jewish community in London by providing such persons with goods which they could not otherwise afford.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 January 2017

Objectives and activities *(continued)*

The subsidiary undertaking, Kosher Outlet Limited operates a non-for-profit grocery store based in Pentavia Retail Park, London to ensure that Kosher groceries are more affordable and accessible to the poor within of the community. In addition, it operates a voucher scheme whereby vouchers can be purchased at face value which are then distributed to the poor within the community to redeem for groceries in the store. This scheme is used by other charitable organisations whom wish to distribute them to their beneficiaries.

Grant making policy

Grants are made to charitable organisations which accord with the objects of the charity.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

During the year the charity continued its activities in support of charitable organisations and aggregate donations were paid in the sum of £84,000 (2016: £75,900).

The benefits that these charities provide include provision of basic necessities and financial support to the poor.

The charity measures its success on the amount of food vouchers and grants it able to distribute in accordance with its objectives.

Individuals within the community benefit from the availability of low cost Kosher food with the aim of reducing living costs and providing more disposal income for the poor within the community and enabling them to purchase other basic necessities. The charity has received informal feedback from individuals that they are now managing their living costs better due to the availability of low cost Kosher food.

The current premises is based in a good location in North West London and is large with ample parking which has helped and supported the increased activities within the group and due to the positive terms of the lease the costs have also been kept to a minimum.

In addition, the effects of Brexit on the Pound Sterling has made Kosher food which is largely-imported from overseas even more expensive which has caused an increased footfall as more individuals look for low cost Kosher food.

Financial review

The charity continued its activities in support of charitable organisations and with the store moving to new larger premises in October 2015, it enabled the charity to maximise its financial support to the poor.

The charity's wholly owned trading subsidiary, Kosher Outlet Ltd continued to trade well and turnover increased in the year generating higher profits, all of which was gift aided to the charity.

The effect of Brexit on the Pound Sterling and continued uncertainty within the market has caused increased cost of goods making the Kosher groceries more expensive. The Trustees continue to actively source low cost groceries from suppliers in order to keep their prices down to a minimum.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 January 2017

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary Kosher Outlet Ltd face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due to ensure sufficient working capital by the charity and its subsidiary company. Attention has also been focussed on non-financial risks arising from fire, health and safety of customers, staff and management of the store and food hygiene. These risks are managed by having robust policies and procedures in place, and regular awareness training for staff working in these operational areas. The trustees are satisfied that these systems and procedures manage any perceived risks.

The charity has entered into commercial lease as a lessee on its store premises at Pentavia Retail Park which ends in 2020. The lease can be terminated by the lessor at any-time by serving the charity with three months written notice. The trustees are mindful of the fact that the lease can be terminated at any-time and are actively looking in the North West London area for suitable new premises.

Reserves policy

At the year-end £512,633 (2016: £366,079) was held as unrestricted funds in the group.

It is the policy of the charity to maintain unrestricted funds, which are the free reserve of the charity, at a level, which the trustees think appropriate after considering the future commitments of the charity, unplanned emergency expenditure and the likely administrative costs of the charity for the next year. In addition, the commercial lease on its store premises terminates in 2020 as mentioned above and the trustees are in the process of building a fund for the future fit-out and relocation costs of a new premises.

Plans for future periods

The trustees plan to continue to make distributions in accordance with their grant making policy and to ensure that an appropriate level of reserves is maintained.

The short-term plans are to keep the trading subsidiary operating at the current premises and in the longer-term to establish a permanent premises to secure its future of providing low cost food and generating profits to support its parent charity in order to be able to distribute funds in accordance with its charitable objectives.

Investment Powers, Policy and Objectives

The trustees, having regard to the liquidity requirements of operating the shop, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

Under the Memorandum and Articles of Association, the charity has the power to make any investment, which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 January 2017

Trustees' responsibilities statement

The charity trustees (who are also the directors of Kosher Outlet Assistance Ltd for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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. 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.

Statement as to disclosure to our auditors

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

Cohen Arnold is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 24 October 2017 and signed on behalf of the board of trustees by:



Mr J Perl
Trustee

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kosher Outlet Assistance Ltd

Year ended 31 January 2017

We have audited the financial statements of Kosher Outlet Assistance Ltd for the year ended 31 January 2017 which comprise the Consolidated Statement of Financial Activities (including the Consolidated Income and Expenditure Account), the Consolidated Statement of Financial Position, the Statement of Financial Position, Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Ethical Standards for Auditors.

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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 January 2017 and of its group's 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 and Charities Act 2011.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kosher Outlet Assistance Ltd (continued)

Year ended 31 January 2017

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

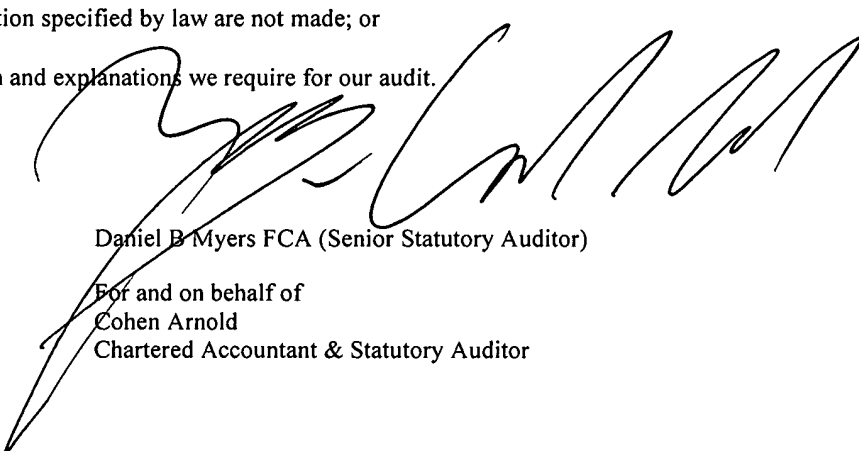
- the information given in the trustees' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Daniel B Myers FCA (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered Accountant & Statutory Auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

24 October 2017

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account)

Year ended 31 January 2017

	Note	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income and endowments				
Donations and legacies	5	15,750	15,750	13,535
Other trading activities	6	6,316,679	6,316,679	4,906,519
Investment income	7	786	786	85
Total income		<u>6,333,215</u>	<u>6,333,215</u>	<u>4,920,139</u>
Expenditure				
Raising funds	8	6,071,650	6,071,650	4,747,458
Expenditure on charitable activities	9/10	115,011	115,011	129,262
Total expenditure		<u>6,186,661</u>	<u>6,186,661</u>	<u>4,876,720</u>
Net income and net movement in funds		146,554	146,554	43,419
Reconciliation of funds				
Total funds brought forward		366,079	366,079	322,660
Total funds carried forward		<u>512,633</u>	<u>512,633</u>	<u>366,079</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

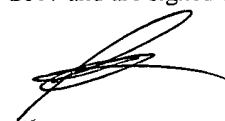
The notes on pages 12 to 20 form part of these financial statements.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Consolidated Statement of Financial Position
31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	14	39,510	47,474
Current assets			
Stocks	15	406,421	329,210
Debtors	16	53,501	53,357
Cash at bank and in hand		556,213	275,923
		<u>1,016,135</u>	<u>658,490</u>
Creditors: Amounts falling due within one year	17	<u>(543,012)</u>	<u>(339,885)</u>
Net current assets		473,123	318,605
Total assets less current liabilities		<u>512,633</u>	<u>366,079</u>
Funds of the charity			
Unrestricted income funds		<u>512,633</u>	<u>366,079</u>
Total charity funds	20	<u>512,633</u>	<u>366,079</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the board of trustees and authorised for issue on the 24 October 2017 and are signed on their behalf by:



Mr J Cope
Trustee



Mr J Perl
Trustee

Company Registration Number: 06791806

The notes on pages 12 to 20 form part of these financial statements.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Statement of Financial Position

31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	14	41,806	60,172
Current assets			
Debtors	16	3,271	14,173
Cash at bank and in hand		175,794	117,616
		<u>179,065</u>	<u>131,789</u>
Creditors: Amounts falling due within one year	17	<u>(1,080)</u>	<u>(1,080)</u>
Net current assets		177,985	130,709
Total assets less current liabilities		<u>219,791</u>	<u>190,881</u>
Funds of the charity			
Unrestricted income funds		219,791	190,881
Total charity funds	20	<u>219,791</u>	<u>190,881</u>

These financial statements were approved by the board of trustees and authorised for issue on the 24 October 2017 and are signed on their behalf by:



Mr J Cope
Trustee



Mr J Perl
Trustee

Company Registration Number: 06791806

The notes on pages 12 to 20 form part of these financial statements.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Consolidated Statement of Cash Flows
Year ended 31 January 2017

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash flows from operating activities				
Net income	146,554	43,419	28,910	62,354
<i>Adjustments for:</i>				
Depreciation on fixed asset investment	9,864	11,868	–	–
Other interest receivable and similar income	(736)	(52)	(3,921)	(3,081)
Interest payable and similar charges	108	109	108	109
<i>Changes in:</i>				
Stocks	(77,211)	(91,117)	–	–
Trade and other debtors	(3,415)	(3,478)	10,902	11,736
Trade and other creditors	206,398	217,955	–	(3,418)
Cash generated from operations	281,562	178,704	35,999	67,700
Interest paid	(108)	(109)	(108)	(109)
Interest received	736	52	3,921	3,081
Net cash from operating activities	<u>282,190</u>	<u>178,647</u>	<u>39,812</u>	<u>70,672</u>
Cash flows from investing activities				
Purchase of fixed asset investments	(1,900)	(35,381)	–	–
Additions in subsidiary	–	–	18,366	3,674
Net cash used in investing activities	<u>(1,900)</u>	<u>(35,381)</u>	<u>18,366</u>	<u>3,674</u>
Net increase in cash and cash equivalents	280,290	143,266	58,178	74,436
Cash and cash equivalents at beginning of year	275,923	132,657	117,616	43,270
Cash and cash equivalents at end of year	<u>556,213</u>	<u>275,923</u>	<u>175,794</u>	<u>117,616</u>

The notes on pages 12 to 20 form part of these financial statements.

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 January 2017

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Churchill House, 137-139 Brent Street, London NW4 4DJ.

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)); the Companies Act 2006 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.

Kosher Outlet Assistance Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the trustees have a reasonable expectation that the group has adequate resources to continue in existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the company and available sources of finance.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 February 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

Judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 22.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Kosher Outlet Ltd on a line-by-line basis. Kosher Outlet Ltd's financial statements are made up to the same date as the holding company 31 January 2017. A separate Statement of Financial Activities and income and expenditure account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

Income resources

All income is 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;
- income from the sales of groceries are recognised when invoiced to the customer which is considered the point of delivery and is measured at the fair value of the consideration received for goods supplied, net of returns, discounts and value added tax
- interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

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 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.

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.

Costs of raising funds comprise of operating the grocery store which is represented net of VAT.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Operating lease

The charity classifies the lease with the store premises as operating lease. Lease payments are recognised as an expense over the lease term on a straight-line basis.

Fixed assets

All fixed asset investments are initially recorded at cost.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	20%
Fixtures & Fittings	-	20%
Office Equipment	-	20%

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

At the end of each reporting periods stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the income statement.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, trade and other debtors that are classified as receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be received net of impairment.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition trade and other creditors that are classified as payable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid.

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

5. Donations and legacies

	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Donations	<u>15,750</u>	<u>13,535</u>

6. Other trading activities

	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Store income	<u>6,316,679</u>	<u>4,906,519</u>

7. Investment income

	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Bank interest receivable	<u>786</u>	<u>85</u>

8. Raising funds

	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Store expenditure		
Cost of sales, distribution and general administrative costs	5,798,417	4,509,787
Staff costs	261,842	228,117
Employers national insurance contributions	11,391	9,554
	<u>6,071,650</u>	<u>4,747,458</u>

No employee received emoluments of more than £60,000 during the year (2015: £60,000).

The average number of persons employed by the group during the year, including the directors, amounted to 18 (2016: 16). The split between full-time and part-time staff is 15 (2016: 13) and 3 (2016: 3) respectively.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

9. Expenditure on charitable activities by fund type

	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Charitable activities	84,000	75,900
Support costs	31,011	53,362
	<u>115,011</u>	<u>129,262</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Charitable activities	84,000	29,143	113,143	122,323
Governance costs	–	1,868	1,868	6,939
	<u>84,000</u>	<u>31,011</u>	<u>115,011</u>	<u>129,262</u>

Included in charitable activities expenditure is £69,000 of grants paid to institutions of which £65,000 was paid to Achisomoch Aid Company Limited. The benefit that these charities provide include provision of basic necessities and financial support to the poor.

11. Analysis of support costs

	Support costs £	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Premises and office costs	29,143	29,143	46,423
Finance costs	108	108	109
Governance costs	1,760	1,760	6,830
	<u>31,011</u>	<u>31,011</u>	<u>53,362</u>

12. Auditors remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	1,080	1,080
Fees payable for other non-audit services of associates	3,920	3,840
	<u>5,000</u>	<u>4,920</u>

Kosher Outlet Assistance Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees. The charity has not met individual expenses incurred by trustees for services provided by the charity

14. Investments

Group

Investments in tangible assets

	Plant & Machinery £	Fixtures & Fittings £	Office Equipment £	Total £
COST				
At 1 February 2016	62,829	18,162	8,267	89,258
Additions	1,900	—	—	1,900
At 31 January 2017	64,729	18,162	8,267	91,158
Depreciation				
At 1 February 2016	27,338	9,361	5,085	41,784
Charge for the year	7,468	1,760	636	9,864
At 31 January 2017	34,806	11,121	5,721	51,648
Net book value				
At 31 January 2017	29,923	7,041	2,546	39,510
At 31 January 2016	35,491	8,801	3,182	47,474

Company

Investment in subsidiary

	2017 £	2016 £
Acquisitions at cost	1	1
Loan advanced	41,805	60,171
Market value at 31 January 2017	41,806	60,172

Interest is charged on the loan at a rate of 5% per annum.

Analysis of investments at 31 January between funds

	Total Funds 2017 £	Total Funds 2016 £
Other		
UK Group undertakings	41,806	60,172

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

14. Investments *(Continued)*

The UK Group Undertaking represents 100% of the issued ordinary share capital of Kosher Outlet Ltd.

Kosher Outlet Ltd is incorporated and operating in England and is a grocery retailer. The investment is stated at cost, which in the opinion of the trustees equates to its market value.

The results of Kosher Outlet Ltd are shown below for the year ended 31 January 2017:

	2017 £	2016 £
Turnover	6,316,679	4,906,519
Expenditure	<u>(6,199,035)</u>	<u>(4,925,454)</u>
Profit/(loss) for the year	<u>117,644</u>	<u>(18,935)</u>
Aggregate capital and reserves	<u>292,843</u>	<u>175,199</u>

15. Stocks

	Group 2017 £	2016 £	Company 2017 £	2016 £
Finished goods	<u>406,421</u>	<u>329,210</u>	<u>—</u>	<u>—</u>

16. Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
Trade debtors	53,501	23,759	—	—
Other taxation	—	—	—	—
Other debtors	—	29,598	3,271	14,173
	<u>53,501</u>	<u>53,357</u>	<u>3,271</u>	<u>14,173</u>

17. Creditors: Amounts falling due within one year

	Group 2017 £	2016 £	Company 2017 £	2016 £
Trade creditors	525,343	329,654	—	—
Other taxation and social security	1,658	32	—	—
Other creditors	16,011	10,199	1,080	1,080
	<u>543,012</u>	<u>339,885</u>	<u>1,080</u>	<u>1,080</u>

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017 £	2016 £
Financial assets measured at amortised cost		
Financial assets measured at undiscounted amount net of impairment	<u>609,714</u>	<u>329,280</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at undiscounted amount	<u>543,012</u>	<u>339,885</u>

19. Unrestricted funds

Group

	Balance at 1 Feb 2016	Income £	Expenditure £	Balance at 31 Jan 2017 £
General Funds	<u>366,079</u>	<u>6,333,215</u>	<u>(6,186,661)</u>	<u>512,633</u>

Company

	Balance at 1 Feb 2016	Income £	Expenditure £	Balance at 31 Jan 2017 £
General Funds	<u>190,881</u>	<u>143,541</u>	<u>(114,631)</u>	<u>219,791</u>

20. Analysis of net assets between funds

Group

	Fixed assets £	Net current assets £	Total £
Unrestricted Income Funds	<u>39,510</u>	<u>473,123</u>	<u>512,633</u>
Total Funds	<u>39,510</u>	<u>473,123</u>	<u>512,633</u>

Company

	Fixed assets £	Net current assets £	Total £
Unrestricted Income Funds	<u>41,806</u>	<u>177,985</u>	<u>219,791</u>
Total Funds	<u>41,806</u>	<u>177,985</u>	<u>219,791</u>

21. Related parties

As reflected in Note 14, Kosher Outlet Ltd is a wholly owned subsidiary of the charity and is also related by virtue of the directors and trustees being common to the charity.

Kosher Outlet Assistance Ltd
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2017

22. Accounting estimates and judgements

Stock

Management considers the nature and condition of the stock held at the year-end as well as the saleability of returned goods in determining an appropriate provision.

Trade debtors

Management uses details of the age of trade debtors and the status of any disputes together with external evidence of the credit status of the counterparty in making judgements concerning any need to impair the carrying values.

Operating lease commitments

The charity has entered into a commercial lease as a lessee on its store premises. The classification of such leases as operating or finance lease requires the charity to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

23. Transition to FRS 102

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

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

24. Statement of cash flows

The charity's cash flow statement reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition, the cash flow statement reconciles to cash and cash equivalents whereas under previous UK GAAP the cash flow statement reconciled to cash. Cash and cash equivalents are defined in FRS 102 as "cash on hand and demand deposits and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value" whereas cash is defined in FRS 1 as "cash in hand and deposits repayable on demand with any qualifying institution, less overdrafts from any qualifying institution repayable on demand". The FRS 1 definition is more restrictive.