

**CHAI NETWORK**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

**Charity No: 1091208**

## **CHAI NETWORK**

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## **CHAI NETWORK**

### **CHARITY DETAILS**

CHARITY NUMBER	1091208
TRUSTEES	Bernard Verby Gary Glickman
BANKERS	NatWest plc
PRINCIPAL OFFICE	3 Milton Crescent Cheadle Cheshire SK8 1NT

# **CHAI NETWORK**

## **TRUSTEES' REPORT ON THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2020**

The trustees present their report along with the financial statements of the charity for the period 1 April 2019 to 31st August 2020. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and 9 and comply with the charity's trust deed and applicable law.

### **Charity details**

The details of the charity are given on page 1.

### **Constitution and objects**

Chai Network is constituted under a declaration of trust dated 20th December 2001, and is a registered charity number 1091208.

The objects of the charity are to spread knowledge of the Jewish religion and culture by the following means:

- the publication of books, monographs, pamphlets and other reading material
- the holding of seminars whether residential or otherwise
- the establishment and extension of libraries
- the provision of social and recreational facilities to enable and assist in the spreading and knowledge of the Jewish religion
- such other means as the trustees shall from time to time think fit.

### **Objectives and activities**

The main objectives are 'preparing ourselves for the ultimate redemption' and 'ensuring Jewish continuity' by reinforcing Jewish identity by providing nourishing educational and social activities, and reaching out to all, whether in times of crisis, celebration and in daily life. The charity's main income is from donations which enables the charity to achieve its objectives.

### **Achievements and performance**

During the year the charity continued to run and expand on the following programmes and activities

#### **Youth Activities**

- Educational Services
- One to One Learning
- Alef Bet Club
- C-Kids
- Boys Bet Medrash
- Bat Mitzvah Club
- C-Teens
- Special Festival Celebrations

#### **Adult Education**

- One to One learning
- Torah studies
- Office learning
- Lunch & Learn
- Guest Speakers
- JLI - Jewish Learning Institute

#### **Women programs**

- Mommy & Me
- Rivkah's Tent – Rosh Chodesh Society
- Special Events and Guest Lectures
- Women's Mikva

#### **General & Ongoing**

- Shabbat & Festival Dinners
- Shabbat Morning Minyan with Kiddush
- Bikur Cholim – Room & Board for families of patients
- Meals on Wheels
- Judaica Services
- Friendship Circle
- [www.chainetwork.com](http://www.chainetwork.com)

# **CHAI NETWORK**

## **TRUSTEES' REPORT ON THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2020**

### **Review of activities and achievements during the year**

The charity has obtained office space in Old Trafford to facilitate our ongoing Adult Education program to the working and business community.

As mentioned in the 2019 report the charity suffered a major flood with extensive damage. As a result of a major fundraising drive we were able to rebuild the Mikvah and repair the rest of the damaged areas making it fit once again for operational use to accommodate our various diverse activities and programmes.

With the start of Covid we adapted to the current situation and reached out to all that needed extra support and care, providing meals and food parcels to be delivered to the homes of those most in need, online programmes for all ages to engage and feel part of the community, and any other assistance that was needed, ensuring no one at any time should feel lonely, isolated or abandoned.

For this reason we extended our financial year until 31 August 2020 to allow us to focus our energy and resources to the task at hand assisting the community during these challenging times.

The charity had an excess of expenditure over income of £12,210 in the year, as detailed on page 6 of the accounts, of which £39,377 related to restricted funds for a Mikvah.

### **Review of results for the period**

Overall the charity has a net surplus of funds of £73,400, as detailed on page 7 of the accounts.

However there are net current liabilities of £30,847, and the charity is currently being supported by loans.

Fund-raising campaigns are continuing to generate funds.

### **Future plans**

The trustees plan to continue to increase the charity's current activities and programmes.

### **Recruitment and appointment of new trustees**

The appointment of new trustees is at the discretion of the serving trustees. All decisions made on behalf of the charity are made by the trustees.

### **Public benefit**

The main activities of the charity are described in the Trustees' Report above. All the charitable activities focus on spreading knowledge of the Jewish religion and culture, and are undertaken to further charitable purposes for the public benefit.

The trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

# **CHAI NETWORK**

## **TRUSTEES' REPORT ON THE ACCOUNTS** **FOR THE PERIOD ENDED 31 AUGUST 2020**

### **Trustees' responsibilities**

The trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payments basis).

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law and regulations. 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.

This report was approved by the trustees on 30 June 2021, and is signed on behalf of them all.

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# **CHAI NETWORK**

## **Independent examiner's report to the trustees of Chai Network**

I report on the accounts of the charity for the period 1 April 2019 to 31st August 2020, which are set out on pages 6 to 11.

### ***Respective responsibilities of trustees and examiner***

The charity's trustees are responsible for the preparation of the accounts. The charity's 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 does not exceed £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

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 Commissioners under section 145 (5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### ***Basis of independent examiners' report***

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 the seeking of 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 statement below.

### ***Independent examiners' statement***

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
  - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met;

or

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

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H J Pinczewski and Co Chartered Certified Accountants  
Rico House  
Unit 6 Lower Ground Floor  
George Street  
Prestwich  
M25 9WS

Date .....

# **CHAI NETWORK**

## **STATEMENT OF FINANCIAL ACTIVITIES** **(INCLUDING INCOME AND EXPENDITURE ACCOUNT)** **FOR THE PERIOD ENDED 31 AUGUST 2020**

	Notes	Period-ended 31-Aug-20 £ Restricted funds	Period-ended 31-Aug-20 £ Unrestricted funds	Period-ended 31-Aug-20 £ Total funds	Year-ended 31-Mar-19 £ Total funds
<b><u>INCOMING RESOURCES</u></b>					
Donations and legacies	2	15,140	198,630	213,770	60,168
Charitable activities	3	0	34,365	34,365	28,335
<b><u>Total income</u></b>		<b><u>15,140</u></b>	<b><u>232,995</u></b>	<b><u>248,135</u></b>	<b><u>88,503</u></b>
<b><u>RESOURCES EXPENDED</u></b>					
<b>Costs of charitable activities</b>					
Activities and programmes	4	19,966	109,713	129,679	58,733
General administration	4	0	95,815	95,815	36,498
Bank charges and interest	4	0	300	300	848
Depreciation of fixed assets	4	34,551	0	34,551	24,389
<b><u>Total expenditure</u></b>		<b><u>54,517</u></b>	<b><u>205,828</u></b>	<b><u>260,345</u></b>	<b><u>120,468</u></b>
<b><u>Reconciliation of funds</u></b>					
<b>Net income/(expenditure) for the year</b>		(39,377)	27,167	(12,210)	(31,965)
<b>Net movement in funds</b>					
Total funds brought forward		104,542	(18,932)	85,610	117,575
Total funds carried forward	7	<b><u>65,165</u></b>	<b><u>8,235</u></b>	<b><u>73,400</u></b>	<b><u>85,610</u></b>

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

All income and expenditure derive from continuing activities.



# CHAI NETWORK

## BALANCE SHEET AS AT 31ST AUGUST 2020

	Notes	Period-ended 31-Aug-20 £	Year-ended 31-Mar-19 £
<b>Fixed assets</b>			
Tangible assets	5	103,747	138,298
Investments	6	500	500
		<u>104,247</u>	<u>138,798</u>
<b>Current assets</b>			
Bank		15,604	0
Gift Aid receivable		1,983	0
Other debtors		3,774	0
		<u>21,361</u>	<u>0</u>
<b>Creditors: amounts falling due within one year</b>			
Bank overdraft		0	1,272
PAYE		4,513	554
Other creditors		0	5,140
Loans		47,695	46,222
		<u>52,208</u>	<u>53,188</u>
<b>Net current liabilities</b>		(30,847)	(53,188)
<b>Total assets less current liabilities</b>		<u>73,400</u>	<u>85,610</u>
<b>- net assets</b>			
<b>Funds of the charity</b>			
Restricted income funds		65,165	104,542
Unrestricted income funds		8,235	(18,932)
Total charity funds	7	<u>73,400</u>	<u>85,610</u>

Approved by the trustees on 30 June 2021, and is signed on behalf of them all.

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# CHAI NETWORK

## NOTES TO THE ACCOUNTS

**FOR THE PERIOD ENDED 31 AUGUST 2020**

### (1) Accounting policies

## Charity information

Chai Network is a charity registered with the Charity Commission.

### 1.1 Basis of preparation of accounts and accounting convention.

The accounts have been prepared on an accruals basis.

The accounts have been prepared in accordance with the charity's governing document, with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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)' (as amended for accounting periods commencing from 1 January 2016) and with the Charities Act 2011, which have been applied consistently (except as otherwise stated).

The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

## 1.2 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Voluntary income and donations received in cash are accounted for as received by the charity. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised the time of the donation.

### 1.3 Costs of charitable activities

The costs of charitable activities includes all expenditure directly related to the charitable activity and fundraising ventures.

#### 1.4 Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Further details are given in the notes to the accounts.

### 1.5 Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available for general funds.

## 1.6 Tangible assets for use by the charity and depreciation

Tangible assets for use by the charity are stated at cost less depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Mikvah on a straight line basis over 10 years

The gain or loss arising on a disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**CHAI NETWORK**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

**(1) Accounting policies**

**1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**1.8 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**(2) Income from donations and legacies**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	213,770	60,168

**(3) Income from charitable activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Educational services	34,365	28,335

## CHAI NETWORK

### NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2020

<b>(4) Costs of charitable activities</b>	<b>Activities and programmes</b>	<b>General administration</b>	<b>Bank charges and interest</b>	<b>Depreciation of fixed assets</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£	£	£
Holidays and shabbat	55,577				55,577	32,417
Grants - other	0				0	535
Youth activities & adult education	25,371				25,371	12,261
Women programs	7,645				7,645	620
Social and Bikur	11,335				11,335	6,200
Women's Mikvah	29,751				29,751	6,700
Council tax		6,746			6,746	3,066
Insurance		6,343			6,343	2,179
Utilities		18,324			18,324	5,152
Telephone		4,356			4,356	2,875
Maintenance		3,385			3,385	4,749
Wages		42,746			42,746	14,673
Bank charges			300		300	848
Depreciation of Mikvah				34,551	34,551	24,389
Travel and other expenses		13,915			13,915	3,804
	<u>129,679</u>	<u>95,815</u>	<u>300</u>	<u>34,551</u>	<u>260,345</u>	<u>120,468</u>

#### **(5) Tangible fixed assets for use by the charity**

	<b>Building of Mikvah</b>	<b>Total</b>
	£	£
<b>Cost</b>		
At 1 April 2019 and at 31 August 2020	<u>243,892</u>	<u>243,892</u>
<b>Depreciation</b>		
At 1 April 2019	105,594	105,594
Charge for the period	34,551	34,551
Disposals	0	0
At 31 March 2019	<u>140,145</u>	<u>140,145</u>
<b>Net book value</b>		
31 August 2020	<u>103,747</u>	<u>103,747</u>
31 March 2019	<u>138,298</u>	<u>138,298</u>

#### **(6) Investments**

	<b>Shares</b>
	£
<b>Cost - other investments</b>	
At 1 April 2019 and 31 August 2020	<u>500</u>

#### **(7) Movements in funds**

	<b>Balance at 01/04/2019</b>	<b>Income</b>	<b>Gift Aid Allocation</b>	<b>Funds sent out</b>	<b>Balance at 31/08/2020</b>
	£	£	£	£	£
<b>Donation purpose</b>					
Building a Mikvah - total restricted funds	104,542	15,000	140	(54,517)	65,165
Unrestricted funds	(18,932)	231,152	1,843	(205,828)	8,235
Total funds	<u>85,610</u>	<u>246,152</u>	<u>1,983</u>	<u>(260,345)</u>	<u>73,400</u>

The purpose of the restricted fund is to build a Mikvah in the Cheadle area.

#### **(8) Related party and trustee transactions**

No trustees, nor any persons connected to them, have received any remuneration or expenses, and there have been no related party transactions.

## **CHAI NETWORK**

### **NOTES TO THE ACCOUNTS** **FOR THE PERIOD ENDED 31 AUGUST 2020**

#### **(9) Staff costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	42,776	14,767
Social security costs	(30)	(94)
	<u>42,746</u>	<u>14,673</u>
 Average number of full time employees	 2	 2
There were no employees with emoluments above £60,000.		

#### **(10) Key management personnel compensation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries in total of key personnel	<u>25,617</u>	<u>12,215</u>