

CHAI NETWORK
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 YEAR ENDED 31 AUGUST 2023**

The trustees present their report along with the financial statements of the charity for the year 1 September 2022 to 31st August 2023. 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

- Power Hour.
- Challah Bake
- 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

CHAI NETWORK

TRUSTEES' REPORT ON THE ACCOUNTS **FOR THE YEAR ENDED 31 AUGUST 2023**

Review of activities and achievements during the year

During this year we have piloted a new initiative of extending our activities and programs into the Trafford area to see if there is a need for an independent branch to be set up there to service the needs of the community.

We are happy to announce the successes of the pilot program and a new chapter has been successfully set up as Chabad of Trafford, independent of the Chai Network.

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. We continue to accommodate all the individual needs of the community members, by providing an in person option as well as an online option.

The charity had an excess of expenditure over income of £69,210 in the year, as detailed on page 6 of the accounts, including an excess of expenditure over income of £24,389 relating to restricted funds for a Mikvah.

Review of results for the period

Overall the charity has a net deficit of funds of £40,680, as detailed on page 7 of the accounts.

Fund-raising campaigns are continuing to generate funds.

Future plans

The trustees plan to continue working and increasing in the charities fundraising efforts.

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 YEAR ENDED 31 AUGUST 2023**

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, 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 year 1 September 2022 to 31st August 2023, 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 YEAR ENDED 31 AUGUST 2023**

	Notes	Year-ended 31-Aug-23 £ Restricted funds	Year-ended 31-Aug-23 £ Unrestricted funds	Year-ended 31-Aug-23 £ Total funds	Year-ended 31-Aug-22 £ Total funds
<u>INCOMING RESOURCES</u>					
Donations and legacies	2	0	147,208	147,208	169,719
Charitable activities	3	0	1,524	1,524	3,750
<u>Total income</u>		0	148,732	148,732	173,469
<u>RESOURCES EXPENDED</u>					
Costs of charitable activities					
Activities and programmes	4	0	99,089	99,089	94,153
General administration	4	0	90,407	90,407	96,437
Bank charges and interest	4	0	218	218	152
Depreciation of fixed assets	4	24,389	3,839	28,228	29,508
<u>Total expenditure</u>		24,389	193,553	217,942	220,250
<u>Reconciliation of funds</u>					
Net expenditure for the year		(24,389)	(44,821)	(69,210)	(46,781)
Net movement in funds					
Total funds brought forward		8,087	20,443	28,530	75,311
Total funds carried forward	7	(16,302)	(24,378)	(40,680)	28,530

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 2023

	Notes	Year-ended 31-Aug-23 £	Year-ended 31-Aug-22 £
Fixed assets			
Tangible assets	5	42,096	70,323
Investments	6	500	500
		<u>42,596</u>	<u>70,823</u>
Current assets			
Bank		8,803	26,828
Gift Aid receivable		272	5,279
Other debtors		0	0
		<u>9,075</u>	<u>32,107</u>
Creditors: amounts falling due within one year			
PAYE		7,023	4,676
Net wages		18,107	6,946
Loans		44,821	37,111
Bank loan		5,600	5,600
		<u>75,551</u>	<u>54,333</u>
Net current liabilities		(66,476)	(22,226)
Total assets less current liabilities		<u>(23,880)</u>	<u>48,597</u>
Creditors: due after more than one year			
Bank loan		(16,800)	(20,067)
		<u>(40,680)</u>	<u>28,530</u>
Funds of the charity			
Restricted income funds		(16,302)	8,087
Unrestricted income funds		(24,378)	20,443
Total charity funds	7	<u>(40,680)</u>	<u>28,530</u>

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

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CHAI NETWORK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

(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 Accounting period

These accounts cover the year 1 September 2022 to 31 August 2023. The comparative figures are for the year 1 September 2021 to 31 August 2022.

1.3 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.

1.4 Costs of charitable activities

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

1.5 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.

1.6 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.

1.7 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

Motor vehicles on a reducing balance basis 25%

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 YEAR ENDED 31 AUGUST 2023

(1) Accounting policies

1.8 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.

1.9 Investments

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

1.10 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.

1.11 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

	2023	2022
	£	£
Donations	147,208	169,719

(3) Income from charitable activities

	2023	2022
	£	£
Educational services	1,524	3,750

CHAI NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

(4) Costs of charitable activities

	Activities and programmes £	General administration £	Bank charges and interest £	Depreciation of fixed assets £	Total 2023 £	Total 2022 £
Holidays and shabbat	54,409				54,409	47,592
Youth activities & adult education	9,320				9,320	14,721
Women programs	7,670				7,670	4,650
Social and Bikur	15,240				15,240	12,340
Women's Mikvah	12,450				12,450	14,850
Council tax		10,610			10,610	10,040
Insurance		4,203			4,203	3,682
Utilities		18,017			18,017	8,352
Telephone		2,081			2,081	3,140
Maintenance		6,565			6,565	11,918
Wages		33,494			33,494	40,665
Professional fees		4,590			4,590	0
Bank charges			218		218	152
Depreciation of Mikvah				24,389	24,389	24,389
Depreciation of motor vehicles				3,839	3,839	5,119
Travel and other expenses		10,847			10,847	18,641
	99,089	90,407	218	28,228	217,942	220,251

(5) Tangible fixed assets for use by the charity

	Building of Mikvah £	Motor Vehicles	Total £
Cost			
At 1 September 2022	243,892	25,199	269,091
Additions	0	0	0
At 31 August 2023	243,892	25,199	269,091
Depreciation			
At 1 September 2022	188,924	9,843	198,767
Charge for the period	24,389	3,839	28,228
Disposals	0	0	0
At 31 August 2023	213,313	13,682	226,995
Net book value			
31 August 2023	30,579	11,517	42,096
31 August 2022	54,968	15,356	70,324

(6) Investments

Cost - other investments	Shares
At 1 September 2022 and 31 August 2023	£
	500

(7) Movements in funds

	Balance at 01/09/2022 £	Income £	Gift Aid Allocation £	Funds sent out £	Balance at 31/08/2023 £
Donation purpose					
Building & maintenance of Mikvah - total restricted funds	8,087	0	0	(24,389)	(16,302)
Unrestricted funds	20,443	148,460	272	(193,553)	(24,378)
Total funds	28,530	148,460	272	(217,942)	(40,680)

The purpose of the restricted fund is to build & maintain 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 YEAR ENDED 31 AUGUST 2023**

(9) Staff costs

	2023	2022
	£	£
Wages and salaries	33,494	40,654
Social security costs	0	11
	<u>33,494</u>	<u>40,665</u>
 Average number of full time employees	 3	 3
There were no employees with emoluments above £60,000.		

(10) Key management personnel compensation

	2023	2022
	£	£
Wages and salaries in total of key personnel	<u>18,720</u>	<u>18,720</u>