

COMPANY REGISTRATION NUMBER: 07472704

CHARITY REGISTRATION NUMBER: 1141046

CHABAD ISRAELI CENTRE
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2022

GK & CO. LLP
Chartered accountants
Hallswelle House
1 Hallswelle Road
London
England
NW11 0DH

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2022

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CHABAD ISRAELI CENTRE

Company Limited by Guarantee

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

Year ended 31 December 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name CHABAD ISRAELI CENTRE

Charity registration number 1141046

Company registration number 07472704

Principal office and registered office New Burlington House
1075 Finchley Road
London
NW11 0PU
England

The trustees

Mr S Z Glitsenstein
Mr D Shur

Independent examiner GK & Co LLP
Hallswelle House
1 Hallswelle Road
London
England
NW11 0DH

Structure, governance and management

The Charity is constituted as a Company Limited by guarantee, and is therefore governed by its memorandum and articles of association. The day to day affairs of the Company were administered by the Trustees.

Objectives and activities

The objectives of the charity are the advancement of Jewish religion and Jewish religious education generally, but especially amongst the Israeli community in London and assistance of such individuals and families in the community that may need support be it financial or otherwise. The activities carried out to achieve these objectives are communal prayer services and celebration of festivals and other festive occasions together with classes and publications aimed at educating Jewish people about their religion, as well as provision of basic religious articles and grants for needy people to help with extra costs of religious activities and festivals. 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.

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

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

Year ended 31 December 2022

Achievements and performance

During the year, there were varied activities which were very popular and the charity succeeded in reaching out to many people and guided them in and educated them about their religion.

Financial review

Being established now in the new, larger premises, as well as with the income generated from the website, the charity has continued its activities this year. Donations received have remained consistent due to a portal to donate through the website as well as the continued support of our regular sponsors and charitable expenditure has remained in line with the income. Kosher shabbat and festive meals continued to increase in size, hosting 80 people for regular weekly meals. Religious publications were distributed to our affiliates and small grants were also made to the most vulnerable of them. The financial situation is stable in that the charity is running a small deficit and the trustees feel that there continues to be a basis of support for the charity in the community.

The policy of the charity is to maintain funds at a level which the trustees think appropriate to support and finance the activities and projects of the charity, and as the needs are great there is usually not a large surplus in reserves. There are nevertheless no restrictions on the charity's powers to invest surplus funds.

Notwithstanding the net current deficit in the year, 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 charity 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 charity and available sources of finance.

The trustees have identified and reviewed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate those risks.

Plans for future periods

The trustees plan to continue to further the objectives of the charity of providing Jewish religious activities and education.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28 January 2024 and signed on behalf of the board of trustees by:


Shneur Zalman GLITSENSTEIN (Jan 28, 2024 19:34 GMT)

Mr S Z Glitsenstein
Trustee

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of CHABAD ISRAELI CENTRE

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of CHABAD ISRAELI CENTRE ('the charity') for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of CHABAD ISRAELI CENTRE *(continued)*

Year ended 31 December 2022

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

GK & Co LLP
Independent Examiner

Hallswelle House
1 Hallswelle Road
London
England
NW11 0DH

28 January 2024

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2022

		2022		2021
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Donations and legacies	5	371,242	371,242	327,323
Total income		371,242	371,242	327,323
Expenditure				
Expenditure on charitable activities	6,7	367,324	367,324	391,286
Total expenditure		367,324	367,324	391,286
Net income/(expenditure) and net movement in funds		3,918	3,918	(63,963)
Reconciliation of funds				
Total funds brought forward		(27,722)	(27,722)	36,241
Total funds carried forward		(23,804)	(23,804)	(27,722)

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

The notes on pages 8 to 15 form part of these financial statements.

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	12	18,751	25,887
Current assets			
Debtors	13	12,500	12,500
Cash at bank and in hand		5,929	–
		<u>18,429</u>	<u>12,500</u>
Creditors: amounts falling due within one year	14	<u>21,632</u>	<u>16,109</u>
Net current liabilities		<u>3,203</u>	<u>3,609</u>
Total assets less current liabilities		15,548	22,278
Creditors: amounts falling due after more than one year	15	<u>39,352</u>	<u>50,000</u>
Net liabilities		<u>(23,804)</u>	<u>(27,722)</u>
Funds of the charity			
Unrestricted funds		(23,804)	(27,722)
Total charity funds	16	<u>(23,804)</u>	<u>(27,722)</u>

For the year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 8 to 15 form part of these financial statements.

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 December 2022

These financial statements were approved by the board of trustees and authorised for issue on 28 January 2024, and are signed on behalf of the board by:

Shneur Zalman GLITSENSTEIN
Shneur Zalman GLITSENSTEIN (Jan 28, 2024 19:34 GMT)

Mr S Z Glitsenstein
Trustee

The notes on pages 8 to 15 form part of these financial statements.

CHABAD ISRAELI CENTRE
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 December 2022

1. General information

The charity is a public benefit entity and 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 New Burlington House, 1075 Finchley Road, London, NW11 0PU, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102.

As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

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

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

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Resources expended

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

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

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Fixtures and fittings	- 10% straight line
Library	- 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

4. Limited by guarantee

The charity company is limited by guarantee and does not have a share capital. The articles of association of the company preclude the distribution of assets to the members of the company and accordingly a reconciliation of shareholders' funds is inappropriate. The liability of each member in the event of a winding up is limited to £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	343,792	343,792	302,143	302,143
Grants				
Grants receivable	27,450	27,450	25,180	25,180
	<u>371,242</u>	<u>371,242</u>	<u>327,323</u>	<u>327,323</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charitable activity	334,832	334,832	333,971	333,971
Support costs	32,492	32,492	57,315	57,315
	<u>367,324</u>	<u>367,324</u>	<u>391,286</u>	<u>391,286</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charitable activity	291,740	43,092	28,112	362,944	384,194
Governance costs	—	—	4,380	4,380	7,092
	<u>291,740</u>	<u>43,092</u>	<u>32,492</u>	<u>367,324</u>	<u>391,286</u>

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>7,136</u>	<u>11,935</u>

9. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>3,250</u>	<u>3,000</u>

10. Staff costs

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

	2022	2021
	£	£
Wages and salaries	<u>17,200</u>	<u>17,200</u>

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

11. Trustee remuneration and expenses

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

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

12. Tangible fixed assets

	Fixtures and fittings £	Library £	Total £
Cost			
At 1 January 2022 and 31 December 2022	<u>52,208</u>	<u>9,577</u>	<u>61,785</u>
Depreciation			
At 1 January 2022	30,153	5,745	35,898
Charge for the year	<u>5,221</u>	<u>1,915</u>	<u>7,136</u>
At 31 December 2022	<u>35,374</u>	<u>7,660</u>	<u>43,034</u>
Carrying amount			
At 31 December 2022	<u>16,834</u>	<u>1,917</u>	<u>18,751</u>
At 31 December 2021	<u>22,055</u>	<u>3,832</u>	<u>25,887</u>

13. Debtors

	2022 £	2021 £
Other debtors	<u>12,500</u>	<u>12,500</u>

14. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	—	284
Accruals and deferred income	11,960	8,360
Social security and other taxes	5,172	2,965
Other creditors	<u>4,500</u>	<u>4,500</u>
	<u>21,632</u>	<u>16,109</u>

15. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	<u>39,352</u>	<u>50,000</u>

CHABAD ISRAELI CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	(27,722)	371,242	(367,324)	(23,804)

	At 1 January 2021	Income	Expenditure	At 31 December 2021
	£	£	£	£
General funds	36,241	327,323	(391,286)	(27,722)

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	18,751	18,751
Current assets	18,429	18,429
Creditors less than 1 year	(21,632)	(21,632)
Creditors greater than 1 year	(39,352)	(39,352)
Net liabilities	(23,804)	(23,804)

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	25,887	25,887
Current assets	12,500	12,500
Creditors less than 1 year	(16,109)	(16,109)
Creditors greater than 1 year	(50,000)	(50,000)
Net liabilities	(27,722)	(27,722)






CHABAD ISRAELI CENTRE - 31 December 2022

Final Audit Report

2024-01-28

Created:	2024-01-28
By:	Jonathan Moyal (jonathan@gkandco.co.uk)
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