

REGISTERED COMPANY NUMBER: 07961026 (England and Wales)
REGISTERED CHARITY NUMBER: 1146332

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021
FOR
THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

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FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 28 February 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

- a) The advancement of the Jewish faith in central London, particularly in Belgravia, Mayfair, Kensington, Chelsea and Holland Park through the provision of adult and youth education and the provision of synagogue services and communal activities.
- b) The relief of those in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage through the provision of financial support and co-ordination of practical and emotional support.
- c) The promotion of such other purposes being exclusively charitable according to the law of England and Wales as the trustees may from time to time determine.

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives and in planning the charity's future activities. The aims of the charity for the public benefit are detailed in the 'Objectives and Aims' section of this report and the main activities undertaken in order to carry out the charity's aims for the public benefit are outlined under 'Achievements and Performance' below.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The charity operates a community centre in Central London in which it provides a wide range of activities including educational programmes for adults and youth, for families and individuals with the aim of making these activities attractive and inviting to all irrespective of their level of religious observance and affiliation.

In addition, the charity provides and facilitates Sabbath and Festival services for all ages. As with our educational programmes and activities, these services are available to all irrespective of age, background, religious observance or financial ability.

The charity's educational programmes together with our warm and inviting Sabbath and Festival services and meals all contribute towards our main object of the advancement of the Jewish Faith in Central London. Our aim is to continue to widen our activities to as many people as possible and to provide our educational programmes in a way that encourages and enthuses people to explore their Jewish heritage and to achieve a deeper understanding and observance of their faith.

The charity has approximately 120 young students enrolled in our weekly Sunday classes. We also provide individual tuition to an average of 25 girls and boys a year in preparation for their Bat and Bar Mitzvah's (religious confirmations).

Programmes of activities and education are attended by some 125 adults weekly. In addition, guest speakers are arranged 8 - 10 times a year with an average attendance of 100 adults.

The weekly Sabbath services are attended by an average of 125 people with over 600 adults and 160 children attending over the High Holiday period.

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRATEGIC REPORT

Achievement and performance

Response to Covid-19

Since the outbreak of the Covid-19 pandemic, the charity has been busier than ever ensuring the emotional, physical and spiritual well being of our community. The charity's activities as a response to the pandemic includes running over 200 online events, providing humanitarian services to the vulnerable and needy including deliveries of medical and essential groceries, providing over 5,000 Jewish Holiday and Shabbat care packages and essential kits, countless phone calls and online web meetings to the lonely and needy, shown solidarity and support to ten local hospitals, the Israeli Embassy, nursing homes, homeless shelters and the police force.

Following the year end and the lifting of restrictions, the charity resumed in-person Shabbat, Festival, educational and lifecycle events and services, all in accordance with the Covid guidelines.

The coronavirus outbreak and subsequent lockdowns presented the charity with many financial challenges due to the reduction of outreach events and activities. However, the charity is immensely grateful to the generous donors and benefactors who assisted and increased their donations over the past year. As a result of the increased fundraising activities, the charity's incoming resources have not been materially affected by the Covid-19 pandemic

Financial review

Investment policy and objectives

Under its Memorandum of Association the charity has power to invest in any way the trustees wish.

Reserves policy

The trustees have reviewed the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through voluntary donations. The trustees consider that the ideal level of these reserves as at 28 February 2021 would be three months of resources expended which equates to £281,457.

As at 28 February 2021, the charity has total unrestricted funds of £2,405,856 (2020: £1,946,464) and endowment funds of £2,370,000 (2020: 1,100,000). Included in unrestricted funds is £2,000,000 of Designated funds set aside for upcoming projects and the expansion of the charity including Rabbinical assistance and a building project. Consequently, the charity has free reserves of £405,856 (2020: £446,464) after making allowance for the Designated funds.

The trustees are actively pursuing sources of funding in order to ensure that there are sufficient reserves to continue to provide financial stability and flexibility.

Going concern

There are no material uncertainties that may cast significant doubt about the company's ability to continue as a going concern.

Principal risks and uncertainties

The main risk faced by the charity especially in uncertain economic times is a decline in fundraising and donations. In common with many charities we are highly dependent on (and thankful to) our many donors and supporters. We continue to explore ways of widening our fundraising base and have developed a reserves policy to help cushion any short-term fundraising shortfall.

Future plans

The future plans of the charity are to continue its charitable aims, whilst ensuring that the ability to generate sufficient income is maintained to achieve that end.

The trustees are continuously considering measures to ensure the financial stability of the charity for future periods. In 2020 the trustees successfully set up an endowment fund for the charity. As at 28 February 2021 the charity has received £2,370,000 for this fund. The charity is looking to increase its endowment fund to further provide ongoing financial support and stability.

The charity is also looking at measures to increase income and reduce operating expenses through the acquisition of capital assets.

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Chabad Jewish Community Of Central London is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The Articles of Association stipulate that there must be a minimum of three trustees and there is no maximum number of trustees. All trustees must be members of the charitable company. Additional trustees may be appointed by the existing trustees at any time, either to fill a casual vacancy or as an addition to the existing trustees. Any trustees so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election.

No trustee had any beneficial interest in any contract with the charitable company during the year. Potential trustees are invited to informally attend trustee meetings prior to appointment and a comprehensive induction programme is available. Additionally, individual trustees may undertake external training in a particular area of their role on the Governing Body.

The charity's Principal is Rabbi Mendel Kalmenson. Rabbi Mendel is a dynamic and enthusiastic leader who is the key to the success of the many programmes we have implemented.

Organisational structure

The board of trustees administers the charity. The day to day management of The Chabad Jewish Community Of Central London is delegated by the trustees to the Principal.

Induction and training of new trustees

The charitable company strives to ensure equal opportunities and diversity in both the employment of staff and trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

Wider network

At present The Chabad Jewish Community Of Central London does not consider itself part of a wider network.

Related parties

The Chabad Jewish Community Of Central London has no tied organisations or companies.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07961026 (England and Wales)

Registered Charity number

1146332

Registered office

105 Eade Road
Occ Building A
2nd Floor, Unit 11a
London
N4 1TJ

Principal address

10 Grosvenor Place
London
SW1X 7HH

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

Trustees

Dr M G Glaser
Mr G Mimoun
Mr R Rackind

Auditors

Glazers Chartered Accountants
843 Finchley Road
London
NW11 8NA

Accountants

DAS Accounting Services Ltd
105 Eade Road
Occ Building A
2nd Floor, Unit 11a
London
N4 1TJ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Chabad Jewish Community Of Central London for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

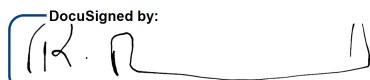
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Glazers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 December 2021 and signed on the board's behalf by:

DocuSigned by:


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Mr R Rackind - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

Opinion

We have audited the financial statements of The Chabad Jewish Community Of Central London (the 'charitable company') for the year ended 28 February 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2021 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Philippe Herszaft ACA (Senior Statutory Auditor)
for and on behalf of Glazers Chartered Accountants
843 Finchley Road
London
NW11 8NA

13 December 2021

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

		Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes				
Donations and legacies	3	1,492,758	1,270,000	2,762,758	2,353,971
Charitable activities	4				
Education and outreach activities		100,527	-	100,527	153,639
Total		<u>1,593,285</u>	<u>1,270,000</u>	<u>2,863,285</u>	<u>2,507,610</u>
EXPENDITURE ON					
Raising funds		12,000	-	12,000	94,792
Charitable activities	5				
Education and outreach activities		1,121,893	-	1,121,893	1,134,958
Total		<u>1,133,893</u>	<u>-</u>	<u>1,133,893</u>	<u>1,229,750</u>
NET INCOME		<u>459,392</u>	<u>1,270,000</u>	<u>1,729,392</u>	<u>1,277,860</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,946,464	1,100,000	3,046,464	1,768,604
TOTAL FUNDS CARRIED FORWARD		<u><u>2,405,856</u></u>	<u><u>2,370,000</u></u>	<u><u>4,775,856</u></u>	<u><u>3,046,464</u></u>

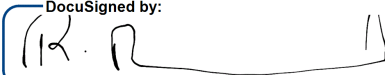
The notes form part of these financial statements

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**BALANCE SHEET
28 FEBRUARY 2021**

		Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	11	9,854	-	9,854	15,624
CURRENT ASSETS					
Debtors	12	268,592	-	268,592	244,847
Cash at bank		2,260,506	2,370,000	4,630,506	2,858,711
		<u>2,529,098</u>	<u>2,370,000</u>	<u>4,899,098</u>	<u>3,103,558</u>
CREDITORS					
Amounts falling due within one year	13	(133,096)	-	(133,096)	(72,718)
		<u>2,396,002</u>	<u>2,370,000</u>	<u>4,766,002</u>	<u>3,030,840</u>
NET CURRENT ASSETS					
		<u>2,405,856</u>	<u>2,370,000</u>	<u>4,775,856</u>	<u>3,046,464</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>2,405,856</u>	<u>2,370,000</u>	<u>4,775,856</u>	<u>3,046,464</u>
NET ASSETS					
		<u>2,405,856</u>	<u>2,370,000</u>	<u>4,775,856</u>	<u>3,046,464</u>
FUNDS	15				
Unrestricted funds:					
General fund				405,856	446,464
Designated funds				2,000,000	1,500,000
				<u>2,405,856</u>	<u>1,946,464</u>
Endowment funds:					
Endowment fund				2,370,000	1,100,000
TOTAL FUNDS				<u>4,775,856</u>	<u>3,046,464</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 December 2021 and were signed on its behalf by:

DocuSigned by:

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Mr R Rackind - Trustee

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	512,155	209,675
Interest paid		(8,063)	(5,629)
		<hr/>	<hr/>
Net cash provided by operating activities		504,092	204,046
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,297)	(16,853)
		<hr/>	<hr/>
Net cash used in investing activities		(2,297)	(16,853)
		<hr/>	<hr/>
Cash flows from financing activities			
Income attributable to endowment		1,270,000	1,100,000
		<hr/>	<hr/>
Net cash provided by financing activities		1,270,000	1,100,000
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		1,771,795	1,287,193
Cash and cash equivalents at the beginning of the reporting period		2,858,711	1,571,518
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		4,630,506	2,858,711
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,729,392	1,277,860
Adjustments for:		
Depreciation charges	8,067	22,517
Interest paid	8,063	5,629
Income attributable to endowment	(1,270,000)	(1,100,000)
(Increase)/decrease in debtors	(23,745)	40,943
Increase/(decrease) in creditors	60,378	(37,274)
Net cash provided by operations	<u>512,155</u>	<u>209,675</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.20	Cash flow	At 28.2.21
	£	£	£
Net cash			
Cash at bank	2,858,711	1,771,795	4,630,506
	<u>2,858,711</u>	<u>1,771,795</u>	<u>4,630,506</u>
Total	<u>2,858,711</u>	<u>1,771,795</u>	<u>4,630,506</u>

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

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 105 Eade Road, Occ Building A, 2nd Floor, Unit 11a, London, N4 1TJ.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgments or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

Income

Income is recognised in the Statement of Financial Activities once the charity is legally entitled to the funds after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. 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 at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

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

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2. ACCOUNTING POLICIES - continued

Governance costs

Governance costs comprise those costs associated with meeting the constitutional and strategic requirements of the charity and the audit fees and costs linked to the strategic management of the charity

Allocation and apportionment of costs

Overhead and support costs relating to charitable activities have been apportioned based on staff time where appropriate.

Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over the period of the lease
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated Funds are Unrestricted Funds, which have been set aside at the discretion of the trustees for specific purposes as noted below.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated Funds

The charity has committed itself to various long-term charitable projects and transfers are made to Designated Funds in accordance with the anticipated expenditure in respect of each individual project.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial instruments

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 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.

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement only.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	2,695,146	2,343,260
Grants	67,612	2,961
Event/Function income	-	7,750
	<u>2,762,758</u>	<u>2,353,971</u>

Donations include amounts of £16,260 (2020: ££27,988) received from the charity's trustees.

Grants received, included in the above, are as follows:

	2021	2020
	£	£
CST - Security	2,996	2,961
Government and local council Covid-19 support	64,618	-
	<u>67,612</u>	<u>2,961</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Education and outreach events		
income	24,772	39,469
School fees	75,755	114,170
	<u>100,527</u>	<u>153,639</u>

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Education and outreach activities	818,634	118,447	184,812	1,121,893

6. GRANTS PAYABLE

	2021 £	2020 £
Education and outreach activities	118,447	-
The total grants paid to institutions during the year was as follows:		
	2021 £	2020 £
Grants to charitable institutions	47,865	-

All grants paid to institutions went towards one of the following purposes: the relief of poverty, advancement of Jewish religion and advancement of Jewish education.

The following grants to institutions were paid during the year:

	£
Achisomoch Aid Company	22,500
Chabad Lubavitch UK	12,000
Less than £2,000	8,365
	47,865

The total grants paid to individuals during the year was as follows:

	2021 £	2020 £
Social Service/Benevolence grants	70,582	-

All grants paid to individuals went towards one of the following purposes: the relief of poverty, advancement of Jewish religion and advancement of Jewish education.

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

7. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
Education and outreach activities	144,667	3,680	36,465	184,812
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	2,100	2,100
Depreciation - owned assets	8,067	22,518
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2021 nor for the year ended 29 February 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 28 February 2021 nor for the year ended 29 February 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	228,936	254,839
Social security costs	14,355	16,792
	<u> </u>	<u> </u>
	243,291	271,631
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	2021	2020
Full time staff	7	8
Part time staff	8	17
	<u> </u>	<u> </u>
	15	25
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £41,506.

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 March 2020	145,585	80,739	10,759	237,083
Additions	-	-	2,297	2,297
	<hr/>	<hr/>	<hr/>	<hr/>
At 28 February 2021	145,585	80,739	13,056	239,380
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 March 2020	145,585	66,651	9,223	221,459
Charge for year	-	6,440	1,627	8,067
	<hr/>	<hr/>	<hr/>	<hr/>
At 28 February 2021	145,585	73,091	10,850	229,526
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 28 February 2021	-	7,648	2,206	9,854
	<hr/>	<hr/>	<hr/>	<hr/>
At 29 February 2020	-	14,088	1,536	15,624
	<hr/>	<hr/>	<hr/>	<hr/>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,267	-
Other debtors	106,499	82,683
Prepayments and accrued income	160,826	162,164
	<hr/>	<hr/>
	268,592	244,847
	<hr/>	<hr/>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	100,075	2,866
Social security and other taxes	127	-
Other creditors	5,120	7,695
Accruals and deferred income	27,774	62,157
	<hr/>	<hr/>
	133,096	72,718
	<hr/>	<hr/>

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	244,583	239,583
Between one and five years	510,417	755,000
	<u>755,000</u>	<u>994,583</u>

15. MOVEMENT IN FUNDS

	At 1.3.20 £	Net movement in funds £	Transfers between funds £	At 28.2.21 £
Unrestricted funds				
General fund	446,464	459,392	(500,000)	405,856
Designated funds	1,500,000	-	500,000	2,000,000
	<u>1,946,464</u>	<u>459,392</u>	<u>-</u>	<u>2,405,856</u>
Endowment funds				
Endowment fund	1,100,000	1,270,000	-	2,370,000
	<u>3,046,464</u>	<u>1,729,392</u>	<u>-</u>	<u>4,775,856</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,593,285	(1,133,893)	459,392
Endowment funds			
Endowment fund	1,270,000	-	1,270,000
	<u>2,863,285</u>	<u>(1,133,893)</u>	<u>1,729,392</u>

**THE CHABAD JEWISH COMMUNITY OF CENTRAL
LONDON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.3.19 £	Net movement in funds £	At 29.2.20 £
Unrestricted funds			
General fund	268,604	177,860	446,464
Designated funds	1,500,000	-	1,500,000
	<hr/> 1,768,604	<hr/> 177,860	<hr/> 1,946,464
Endowment funds			
Endowment fund	-	1,100,000	1,100,000
	<hr/> -	<hr/> 1,100,000	<hr/> 1,100,000
TOTAL FUNDS	<hr/> <hr/> 1,768,604	<hr/> <hr/> 1,277,860	<hr/> <hr/> 3,046,464

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,407,610	(1,229,750)	177,860
Endowment funds			
Endowment fund	1,100,000	-	1,100,000
	<hr/> 2,507,610	<hr/> (1,229,750)	<hr/> 1,277,860
TOTAL FUNDS	<hr/> <hr/> 2,507,610	<hr/> <hr/> (1,229,750)	<hr/> <hr/> 1,277,860

16. RELATED PARTY DISCLOSURES

Other than elsewhere disclosed in the accounts, no related party transactions were undertaken that are required to be disclosed under FRS102.