

CHABAD LUBAVITCH OF CAMBRIDGE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

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TRUSTEES:

Rabbi Dr A R Leigh  
Dr M A Amior  
Dr R N Duschinsky  
Mr J O Levy

COMPANY REGISTRATION NUMBER: 09452396

CHARITY REGISTRATION NUMBER: 1162783

REGISTERED OFFICE:

37a Castle Street  
Cambridge  
CB3 0AH

INDEPENDENT EXAMINERS:

Ian W Shipley FCCA  
For and on behalf of:  
Prentis & Co LLP  
Chartered Accountants and Independent Examiners  
115c Milton Road  
Cambridge  
CB4 1XE

BANKERS:

Handelsbanken  
Byron House  
Cambridge Business Park  
Cowley Road  
Cambridge  
CB4 0WZ

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## TRUSTEES REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements of Chabad Lubavitch of Cambridge for the year ended 28th February 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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 1st January 2019).

**Structure, governance and management****Governing document**

Chabad Lubavitch of Cambridge is a company limited by guarantee registered as a company and charity in England and Wales on 21st February 2015. In the event of the company being wound up members are required to contribute an amount not exceeding £10. The company was founded in 2015 and is exempt from the requirement to use the word "limited", and is registered as a charity.

The trustees during the period have been:

Rabbi Dr A R Leigh

Dr M A Amior

Dr R N Duschinsky

Mr J O Levy

**Recruitment and appointment of new trustees**

Appointment of trustees will be by the decision of the current trustees. New trustees will be given information about the aims of the charity and will receive training related to their responsibility from current or past trustees.

**Risk management**

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

**Objectives and Activities**

In planning our activities for the year, we kept in mind the Charity Commission's guidance on public benefit at our trustee meetings.

Chabad Lubavitch of Cambridge promotes and facilitates the advancement of education and the practice of the Jewish faith in Cambridge. The trustees intend to continue to develop these activities.

**Achievements and performance**

During the Covid pandemic we needed to adapt to changing conditions. After the initial lockdown we were thankfully allowed to reopen the nursery which was remained open ever since and provided a vital service for the children as well as for their parents, some of whom are key workers. The Sunday Hebrew School provided online services until it became possible to restart in person classes when we provided a hybrid option whereby certain students could participate remotely as well. In-person opportunities for our University student society were extremely limited so we provided food and care packages for pick up or delivery and made sure isolating students were looked after. We established a professional and confidential counselling service for anyone struggling with anxiety and stress from the pandemic and have been able to provide critical support for those in need.

**Financial review**

During the year the charity made a surplus of £4,908 (2020: deficit of £25,132). The charity's reserves stand at £739,798 (2020: £734,890) which mostly represents the building. The trustees are aware of the need to generate a surplus and build up a level of liquid reserves and are putting measures in place to achieve this.

**Grant making policy**

The charity may provide grants to organisations whose activities support its objectives. The trustees will judge each case for a grant on its merits.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## TRUSTEES REPORT ....CONTINUED

**Reserves policy**

The charity holds reserves in order to generate income to fund its activities and to protect the charity from unforeseen circumstances or a fall in income levels. The trustees are currently building the reserves and feel having enough to cover 6 months of direct costs in free reserves is adequate.

The reserves policy will be reviewed each year at the trustees meeting.

**Plans for the future**

The charity will continue to advance the education and practice of Orthodox Judaism in Cambridge as expounded by the teaching of Chabad Lubavitch.

**Pay policy for key personnel**

The trustees are considered to be key personnel of the charity in charge of directing and controlling the charity on a day to day basis. The trustees give their time freely and no trustee received remuneration in the year.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The trustees (who are also directors of Chabad Lubavitch of Cambridge for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity 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 these financial statements, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charitable company and financial information included on the charity's website.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the trustees on  
and signed on their behalf, by:



15/10/2021

RABBI DR A R LEIGH  
TRUSTEE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## INDEPENDENT EXAMINERS REPORT

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF CHABAD LUBAVITCH OF CAMBRIDGE**

I report to the charity trustees on my examination of the financial statements of Chabad Lubavitch of Cambridge for the year ended 28th February 2021, which are set out on pages 4 to 10.

**RESPONSIBILITIES AND BASIS OF REPORT**

As the charity's trustees of the company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the '2006 Act').

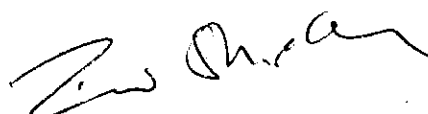
Having been satisfied that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 (the '2011 Act'). 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 EXAMINERS' STATEMENT**

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 company as required by Section 386 of the 2006 Act;
- (2) the accounts do not accord with those accounting records;
- (3) the accounts 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 accounts 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 (FRS102)].

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.



IAN W SHIPLEY FCCA  
FOR AND ON BEHALF OF:  
PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS &  
INDEPENDENT EXAMINERS

21 October 2021



115c Milton Road  
Cambridge  
CB4 1XE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Total Funds Unrestricted 2021 £	Total Funds Unrestricted 2020 £
<b>INCOME</b>			
Donations and grants	2	32,447	31,503
Tuition		19,540	25,152
Investment income	3	916	9,574
Other income	4	24,220	-
<b>TOTAL INCOME</b>		<u>77,123</u>	<u>66,229</u>
<b>EXPENDITURE</b>			
Charitable activities	5	72,215	91,361
<b>TOTAL EXPENDITURE</b>		<u>72,215</u>	<u>91,361</u>
<b>NET SURPLUS/(DEFICIT) AND NET MOVEMENT IN FUNDS</b>		4,908	(25,132)
Reconciliation of Funds			
Total funds brought forward		734,890	760,022
<b>Total funds carried forward</b>		<u>739,798</u>	<u>734,890</u>

The notes on pages 7 to 11 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## BALANCE SHEET

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	9	1,069,260	1,073,239
<b>CURRENT ASSETS</b>			
Debtors	10	675	675
Cash at bank		12,808	7,834
<b>TOTAL CURRENT ASSETS</b>		<u>13,483</u>	<u>8,509</u>
<b>CREDITORS: amounts falling due within one year</b>	11	<u>7,945</u>	<u>11,858</u>
<b>NET CURRENT LIABILITIES</b>		5,538	(3,349)
<b>TOTAL ASSETS LESS CURRENT ASSETS/(LIABILITIES)</b>		<u>1,074,798</u>	<u>1,069,890</u>
<b>CREDITORS: amounts falling due after one year</b>	12	335,000	335,000
<b>NET ASSETS</b>		<u>739,798</u>	<u>734,890</u>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted Income funds	13	739,798	734,890
<b>TOTAL CHARITY FUNDS</b>		<u>739,798</u>	<u>734,890</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 477(1) of the Companies Act 2006. Members have not required the company under Section 476 of the Companies Act 2006, to obtain an audit for the year ended 28th February 2021. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 28th February 2021 and of its surplus for the year then ended in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions relating to the companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the board on and signed on its behalf.

 15/10/2021

RABBI DR A R LEIGH  
TRUSTEE

The notes on pages 7 to 11 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## STATEMENT OF CASH FLOWS

	Notes	2021 £	2020 £
<b>Cash flow from operating activities</b>	15	<u>9,742</u>	<u>(19,610)</u>
<b>Cash flows from financing activities</b>			
Fixed Asset additions		<u>(4,768)</u>	<u>25,000</u>
Cash provided by financing activities		<u>(4,768)</u>	<u>25,000</u>
 <b>Change in cash and cash equivalents in the year</b>		 <u>4,974</u>	 <u>5,390</u>
<b>Cash and cash equivalents brought forward</b>		<u>7,834</u>	<u>2,444</u>
<b>Cash and cash equivalents carried forward</b>		<u>12,808</u>	<u>7,834</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## NOTES TO THE FINANCIAL STATEMENTS

**1. ACCOUNTING POLICIES****1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance 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) (effective 1st January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Chabad Lubavitch of Cambridge meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant policy note.

**1.2 Going concern**

The accounts are prepared on a going concern basis, and the trustees consider this appropriate. There are net current liabilities of £7,945, although £3,000 of current liabilities represent a 'soft' loan from one of its trustees. The charity relies on the continued support of its donors and trustees and consider this support will continue in the medium term. There is a mortgage on the property and its repayment details are disclosed under note 12.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Income Recognition**

All income is recognised in the statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## NOTES TO THE FINANCIAL STATEMENTS

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. 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:

Freehold property (excluding value of the land)	- 2% straight line
Office equipment	- 25% straight line

2.	VOLUNTARY INCOME	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
	Donations	32,447	31,503
3.	INVESTMENT INCOME	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
	Rental income	916	9,574
4.	OTHER INCOME	2021 £	2020 £
	Covid grant	19,200	-
	Covid Job Retention Scheme	5,020	-
		24,220	-
5.	DIRECT COSTS	Total Unrestricted 2021 £	Total Unrestricted 2020 £
	Heat and light	6,367	5,512
	Rates	1,244	1,982
	Travel and subsistence	-	795
	Website and computer costs	424	400
	Telephone	930	1,042
	Sundry expenses	1,369	728
	Interest on mortgage	10,877	11,922
	Bank charges	802	982
	Insurance	879	834
	Depreciation	8,747	7,554
	Rent	-	6,036
	Wages and salaries	21,403	23,641
	Outreach activities	9,777	18,174
	Cleaning	3,902	3,844
	Childcare	1,994	3,980
	Governance costs (see note 6 on page 9)	3,500	3,935
		72,215	91,361

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## NOTES TO THE FINANCIAL STATEMENTS

6.	GOVERNANCE COSTS	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
	Independent examiners fees	1,076	1,048
	Legal and professional fees	2,424	2,887
		<u>3,500</u>	<u>3,935</u>
7.	NET RESOURCES EXPENDED	2021 £	2020 £
	This is stated after charging:		
	Depreciation of tangible fixed assets:		
	- owned by charity	8,747	7,554
	Independent examiners	<u>1,076</u>	<u>1,048</u>
8.	STAFF COSTS	2021 £	2020 £
	Staff costs were as follows:-		
	Wages and salaries	<u>21,403</u>	<u>23,641</u>
	The average monthly number of employees during the period was as follows:-		
		2021	2020
	Administrative	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000.

The key management personnel of the charity comprise the board of trustees. The total employee benefits of the key management personnel of the charity was £9,814 (2020: £7,600) paid to Rabbi Dr A R Leigh a trustee. R Leigh spouse of Rabbi Dr A R Leigh received remuneration amounting to £6,675 (2020: £6,000).

9.	TANGIBLE FIXED ASSETS	Office Equipment £	Freehold Property £	Total £
	YEAR ENDED 28TH FEBRUARY 2021			
	COST			
	Balance at 1st March 2020 and 28th February 2021	-	1,111,009	1,111,009
	Additions	4,768	-	4,768
		<u>4,768</u>	<u>1,111,009</u>	<u>1,115,777</u>
	DEPRECIATION			
	Balance at 1st March 2020	-	37,770	37,770
	Charge for the year	1,193	7,554	8,747
		<u>1,193</u>	<u>45,324</u>	<u>46,517</u>
	Balance at 28th February 2021	<u>1,193</u>	<u>45,324</u>	<u>46,517</u>
	NET BOOK VALUE AT 28th February 2021	<u>3,575</u>	<u>1,065,685</u>	<u>1,069,260</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## NOTES TO THE FINANCIAL STATEMENTS

<b>TANGIBLE FIXED ASSETS</b>	Freehold
YEAR ENDED 29TH FEBRUARY 2020	Property
COST	£
Balance at 1st March 2019 and 29th February 2020	1,111,009
DEPRECIATION	
Balance at 1st March 2019	30,216
Charge for the year	7,554
Balance at 29th February 2020	37,770
NET BOOK VALUE AT 29th February 2020	1,073,239

All fixed assets are used for direct charitable purposes.

<b>10. DEBTORS</b>	2021	2020
	£	£
Other debtors	675	675
<b>11. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2021	2020
	£	£
Accruals	1,050	1,030
Other creditors	6,895	10,828
	7,945	11,858
<b>12. CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR</b>	2021	2020
	£	£
Mortgage	335,000	335,000

The mortgage has a maturity date of 5th February 2026, and is repayable after that date. The interest rate is 2.9% over LIBOR.

Security has been provided against the mortgage on 37A Castle Street, Cambridge.

<b>13. STATEMENT OF FUNDS</b>	Brought			Carried
YEAR ENDED 28TH FEBRUARY 2021	Forward	Income	Expenditure	Forward
<b>General Funds</b>	£	£	£	£
General Funds	734,890	77,123	72,215	739,798
Total Unrestricted Funds	734,890	77,123	72,215	739,798
<b>STATEMENT OF FUNDS</b>	Brought			Carried
YEAR ENDED 29TH FEBRUARY 2020	Forward	Income	Expenditure	Forward
<b>General Funds</b>	£	£	£	£
General Funds	760,022	66,229	91,361	734,890
Total Unrestricted Funds	760,022	66,229	91,361	734,890

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021

## NOTES TO THE FINANCIAL STATEMENTS

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Tangible fixed assets	1,069,260	1,073,239
Current assets	13,483	8,509
Creditors due within one year	(7,945)	(11,858)
Creditors due after one year	(335,000)	(335,000)
	<u>739,798</u>	<u>734,890</u>

**15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net movement in funds	4,908	(25,132)
Add back depreciation	8,747	7,554
Increase/(decrease) in creditors	(3,913)	(2,032)
Cash flow from operating activities	<u>9,742</u>	<u>(19,610)</u>

**16. RELATED PARTY DISCLOSURES**

During the year R Leigh, wife of trustee Rabbi Dr A R Leigh received a salary on normal commercial terms and was reimbursed expenses (see note 8).

**17. TRUSTEE EXPENSES**

During the year trustee expenses of £9,814 (2020: £7,700) were reimbursed to Rabbi Dr A R Leigh which can be summarised as follows:

	2021 £	2020 £
Travel	-	25
Ceremonial and charity activities	3,542	2,453
Administration expenses	6,272	5,222
	<u>9,814</u>	<u>7,700</u>