

CHABAD LUBAVITCH OF CAMBRIDGE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

CONTENTS AND CHARITY INFORMATION

CONTENTS:	PAGE:
Report of the Trustees	1 - 2
Independent Examiners Report	3
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Accounts	7 - 11

TRUSTEES AND DIRECTORS:

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 2023

## 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 2023. 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 past year our organisation has been engaged in providing religious, educational and social services to the students and staff of the University of Cambridge as well as to the residents of Cambridge and East Anglia.

The rise in interest rates and the cost of living has put a strain on our finances, however, we are confident that we will be able to maintain the level of our services over the coming period.

With growing interest in our services we will be seeking new streams of funding in order to expand our activities and fulfil our mission to support the entire Jewish community of Cambridge and East Anglia.

**Financial review**

During the year the charity made a deficit of £4,959 (2022: deficit of £14,215). The charity's reserves stand at £720,624 (2022: £725,583) 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 2023

## 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 trustees received remuneration in the year for their work as trustee. One trustee received remuneration for other work connected with the charity.

**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:

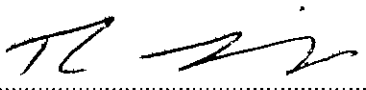
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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:

  
..... 9/11/23  
RABBI DR A R LEIGH  
TRUSTEE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## 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 2023, which are set out on pages 4 to 11.

**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

115c Milton Road  
Cambridge  
CB4 1XE

14<sup>th</sup> November 2023

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Total Funds Unrestricted 2023 £	Total Funds Unrestricted 2022 £
<b>INCOME</b>			
Donations and grants	2	64,611	44,961
Tuition		19,123	21,855
Investment income	3	16,675	28,304
<b>TOTAL INCOME</b>		<u>100,409</u>	<u>95,120</u>
<b>EXPENDITURE</b>			
Charitable activities	4	105,368	109,335
<b>TOTAL EXPENDITURE</b>		<u>105,368</u>	<u>109,335</u>
<b>NET DEFICIT AND NET MOVEMENT IN FUNDS</b>		(4,959)	(14,215)
Reconciliation of Funds			
Total funds brought forward		725,583	739,798
<b>Total funds carried forward</b>		<u>720,624</u>	<u>725,583</u>

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

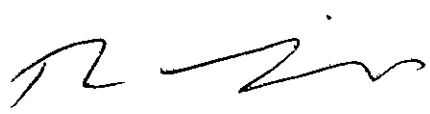
## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## BALANCE SHEET

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	1,052,384	1,061,337
<b>CURRENT ASSETS</b>			
Debtors	9	563	675
Cash at bank		7,036	8,352
<b>TOTAL CURRENT ASSETS</b>		<u>7,599</u>	<u>9,027</u>
<b>CREDITORS</b> amounts falling due within one year	10	<u>17,859</u>	<u>9,781</u>
<b>NET CURRENT LIABILITIES</b>		(10,260)	(754)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,042,124	1,060,583
<b>CREDITORS</b> amounts falling due after one year	11	321,500	335,000
<b>NET ASSETS</b>		<u>720,624</u>	<u>725,583</u>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted Income funds	12	720,624	725,583
<b>TOTAL CHARITY FUNDS</b>		<u>720,624</u>	<u>725,583</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 2023. 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 2023 and of its deficit 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.

  
 .....  
 RABBI DR A R LEIGH  
 TRUSTEE

9/11/23

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

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## STATEMENT OF CASH FLOWS

	Notes	2023 £	2022 £
<b>Cash flow from operating activities</b>	14	<u>(1,316)</u>	<u>(3,426)</u>
<b>Cash flows from financing activities</b>			
Fixed Asset additions		<u>-</u>	<u>(1,030)</u>
Cash provided by financing activities		<u>-</u>	<u>(1,030)</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(1,316)</u>	<u>(4,456)</u>
<b>Cash and cash equivalents brought forward</b>		<u>8,352</u>	<u>12,808</u>
<b>Cash and cash equivalents carried forward</b>		<u>7,036</u>	<u>8,352</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## 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 £10,260 although £5,649 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 it's repayment details are disclosed under note 11.

**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 2023

## 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
Fixtures and fittings	- 20% straight line

2.	VOLUNTARY INCOME	Total Unrestricted Funds 2023	Total Unrestricted Funds 2022
		£	£
	Donations	64,611	44,961
3.	INVESTMENT INCOME	Total Unrestricted Funds 2023	Total Unrestricted Funds 2022
		£	£
	Rental income	16,675	28,304
4.	DIRECT COSTS	Total Unrestricted 2023	Total Unrestricted 2022
		£	£
	Repairs	641	6,124
	Heat and light	6,385	4,114
	Rates	1,343	2,632
	Travel and subsistence	2,263	119
	Website and computer costs	1,242	587
	Telephone	942	1,038
	Sundry expenses	1,102	1,405
	Interest on mortgage	15,516	12,628
	Bank charges	646	1,003
	Insurance	1,045	955
	Depreciation	8,953	8,953
	Rent	-	200
	Wages and salaries	32,572	33,444
	Outreach activities	22,717	28,196
	Cleaning	2,586	4,826
	Childcare	5,409	1,820
	Governance costs (see note 5 on page 9)	1,331	1,291
	Bad debt	675	-
		<u>105,368</u>	<u>109,335</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## NOTES TO THE FINANCIAL STATEMENTS

**5. GOVERNANCE COSTS**

	Total Unrestricted Funds 2023 £	Total Unrestricted Funds 2022 £
Independent examiners fees	1,331	1,098
Legal and professional fees	-	193
	<u>1,331</u>	<u>1,291</u>

**6. NET RESOURCES EXPENDED**

This is stated after charging:

Depreciation of tangible fixed assets:

- owned by charity

Independent examiners

	2023 £	2022 £
	8,953	8,953
	<u>1,331</u>	<u>1,098</u>

**7. STAFF COSTS**

Staff costs were as follows:-

Wages and salaries

	2023 £	2022 £
	32,572	33,444

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

	2023	2022
Administrative	<u>2</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 £12,500 (2022: £12,011) paid to Rabbi Dr A R Leigh a trustee. R Leigh spouse of Rabbi Dr A R Leigh received remuneration amounting to £12,000 (2022: £12,011)

**8. TANGIBLE FIXED ASSETS**

YEAR ENDED 28TH FEBRUARY 2023

COST

Balance at 1st March 2022 and

Balance at 28th February 2023

DEPRECIATION

Balance at 1st March 2022

Charge for the year

Balance at 28th February 2023

NET BOOK VALUE AT 28th February 2023

Fixtures & Fittings £	Office Equipment £	Freehold Property £	Total £
1,030	4,768	1,111,009	1,116,807
206	2,386	52,878	55,470
206	1,193	7,554	8,953
<u>412</u>	<u>3,579</u>	<u>60,432</u>	<u>64,423</u>
<u>618</u>	<u>1,189</u>	<u>1,050,577</u>	<u>1,052,384</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## NOTES TO THE FINANCIAL STATEMENTS

<b>TANGIBLE FIXED ASSETS</b>	Fixtures & Fittings	Office Equipment	Freehold Property	Total
YEAR ENDED 28TH FEBRUARY 2022	£	£	£	£
COST				
Balance at 1st March 2021	-	4,768	1,111,009	1,115,777
Additions	1,030	-	-	1,030
Balance at 28th February 2022	<u>1,030</u>	<u>4,768</u>	<u>1,111,009</u>	<u>1,116,807</u>
DEPRECIATION				
Balance at 1st March 2021	-	1,193	45,324	46,517
Charge for the year	206	1,193	7,554	8,953
Balance at 28th February 2022	<u>206</u>	<u>2,386</u>	<u>52,878</u>	<u>55,470</u>
NET BOOK VALUE AT 28th February 2022	<u>824</u>	<u>2,382</u>	<u>1,058,131</u>	<u>1,061,337</u>

All fixed assets are used for direct charitable purposes.

<b>9. DEBTORS</b>	2023	2022
	£	£
Other debtors	<u>563</u>	<u>675</u>
<b>10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2023	2022
	£	£
Accruals	1,573	1,473
Other creditors	16,286	8,308
	<u>17,859</u>	<u>9,781</u>
<b>11. CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR</b>	2023	2023
	£	£
Mortgage	<u>321,500</u>	<u>335,000</u>

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>12. STATEMENT OF FUNDS</b>	Brought Forward	Income	Expenditure	Carried Forward
YEAR ENDED 28TH FEBRUARY 2023	£	£	£	£
<b>General Funds</b>				
General Funds	725,583	100,409	105,368	720,624
Total Unrestricted Funds	<u>725,583</u>	<u>100,409</u>	<u>105,368</u>	<u>720,624</u>
<b>STATEMENT OF FUNDS</b>	Brought Forward	Income	Expenditure	Carried Forward
YEAR ENDED 28TH FEBRUARY 2022	£	£	£	£
<b>General Funds</b>				
General Funds	739,798	95,120	109,335	725,583
Total Unrestricted Funds	<u>739,798</u>	<u>95,120</u>	<u>109,335</u>	<u>725,583</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

## NOTES TO THE FINANCIAL STATEMENTS

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

	Total Unrestricted Funds	Total Unrestricted Funds
	2023	2022
	£	£
Tangible fixed assets	1,052,384	1,061,337
Current assets	7,599	9,027
Creditors due within one year	(17,859)	(9,781)
Creditors due after one year	(321,500)	(335,000)
	<u>720,624</u>	<u>725,583</u>

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

	2023	2022
	£	£
Net movement in funds	(4,959)	(14,215)
Add back depreciation	8,953	8,953
(Decrease)/increase in creditors	(5,422)	1,836
Decrease in debtors	112	-
Cash flow from operating activities	<u>(1,316)</u>	<u>(3,426)</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 7).

**17. TRUSTEE EXPENSES**

During the year trustee expenses of £8,781 (2022: £5,744) were reimbursed to Rabbi Dr A R Leigh which can be summarised as follows:

	2023	2022
	£	£
Equipment	-	1,030
Ceremonial and charity activities	-	1,294
Administration expenses	8,781	3,420
	<u>8,781</u>	<u>5,744</u>