

Klal Chazon Limited

(by Guarantee)

Company number 10832208

Charity number 1177390

Trustees' Report

And

Financial Statements

For the period ended

31 December 2020

Klal Chazon Limited

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Klal Chazon Limited

Legal and administrative information

Directors / Trustees

Daniel Goldberg
Jerome Ormonde
Jonathan Roodyn
Neil Schiff

Key Management Personnel

Shimshon Silkin

Registered Office

379 Hendon Way
London
NW4 3LP

Details of Incorporation

The company was incorporated on 22 June 2017 in England under company registration number 10832208, and was registered with the Charity Commission on 1 March 2018, governed by its Memorandum and Articles of Association, charity number 1177390.

Bankers

National Westminster Bank Plc
5 Central Circus
Hendon Central
London
NW4 3LE

Klal Chazon Limited

Trustees' Report for the year ended 31 December 2020

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit this first report and financial statements of Klal Chazon Limited (the company) for the year ended 31 December 2020.

Structure, Governance and Finance

The company was incorporated on 22 June 2017 as a company limited by guarantee and registered as a charitable organisation on 1 March 2018. Prior to this date Klal Chazon existed as a division of Jewish Futures Trust.

The trustees, who are also the directors for the purpose of company law, and who served during the year were Daniel Goldberg, Jerome Ormonde, Jonathan Roodyn and Neil Schiff. None of the trustees has any beneficial interest in the company.

Jewish Futures Trust Limited (JFT) is the parent undertaking of the Company and at present guarantees to contribute £1 in the event of a winding up. Jewish Futures Trust provides central head office services to Klal Chazon and JFT's other subsidiary charities at cost, to enable the group to benefit from economies of scale. It encourages group charities to use the resources of sister charities to benefit from their expertise, in furtherance of each other's charitable objectives.

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The number of trustees shall not be subject to any maximum but shall not be less than two. The appointment and training of a new trustee is subject to the oversight of current trustees.

There are no specific restrictions imposed by the governing document concerning the way the Charity can operate.

About 15 volunteers support the Charity and help to deliver some of its charitable programmes and activities.

Charity's Objectives and Activities

Klal Chazon was established to provide educational, religious and cultural activities to enhance the association of Jewish youth with their religion and heritage.

Achievements and Performance

Klal Chazon, like many charities, was deeply impacted by the Covid-19 pandemic that struck the world in March 2020. It was able, quickly, to create a range of online, digital programmes to replace the educational, cultural and religious programmes and events that it had been running up till then.

The Charity maintains contact with schools, synagogues and local organisations to deliver a range of seminars, events and activities to deliver inspiring learning experiences for members of the public.

Klal Chazon Limited

Trustees' Report (continued)

Fundraising

Klal Chazon's fundraising is principally from Trusts and Foundations and individuals, particularly from people or organisations who have an appreciation of the benefits and objectives of the charity's activities and have wished to show their support. Klal Chazon does not engage in large scale fund-raising activities like mass mailings, telephone fund-raising or door-to-door campaigns. Klal Chazon does not employ a professional fundraiser nor engage the services of any third-party organisations to help raise funds. To this end, the trustees have not considered it necessary to sign up to any regulatory code of fundraising practice but aims to ensure that fundraising is done professionally and in accordance with good practice. Klal Chazon has not received any complaints about any aspect of its fund-raising during 2019.

Financial Review

During the year of the accounts, Klal Chazon generated a surplus of £87,986 (2019 incurred a deficit of £44,005) and as a result at 31 December had free reserves of £56,375 (2019 a deficit on free reserves of £31,611).

Klal Chazon is supported by a broad spectrum of donors from across the community, ranging from grassroots student-level programme participants and alumni to a number of philanthropists and Foundations who partner with our charity and help encourage our activities. Most fundraising is done through direct relationships with our partners and through effective communication of the importance of our work to the wider audience of our supporters.

All of Klal Chazon's expenditure is focused on creating the wide range of successful high-quality educational courses and popular, impactful activities that deliver our stated charitable objectives.

Key Risks and Uncertainties

The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. A reduction in donor base could cause cash flow issues; any delayed receipt of pledged donations or participants income could also potentially cause cash flow issues. The major risks facing the Charity are reviewed regularly at management meetings. Regular reviews of cash flow projections and budget forecasts are also undertaken, as well as a continual drive to reduce expenditure and negotiate better terms and rates.

The Impact of Covid-19 in 2020

The ongoing COVID-19 crisis significantly impacted upon the Charity's planned activities and programmes, especially the international programmes. All activities involving social interaction had to stop in March 2020, but the charity has been able to move to digital platforms to deliver events and programmes.

Staff were put on furlough and actions taken to reduce costs of operations to limit the drain on resources. While the Covid-19 crisis has impacted on the ability of the Charity to raise funds in the normal way, the Charity was able to organise a successful matched funding campaign in April 2020 and received support from new grant sources during the year. Supporters have recognised that the Charity has still been able to deliver high quality programmes and remain supportive of its work

Management and Trustees are monitoring the Charity cost base on a regular basis to ensure that programme, event and educational costs do not exceed foreseeable income. The Management Team are regularly assessing the operational and logistical capabilities and finance consequences to update plans and budgets.

Reserves

The Trustees have determined that Klal Chazon should endeavour to hold free reserves representing 3 months of operational costs, approximately £60,000. The Trustees aim to have met this reserve target by the end of 2021. The Trustees recognise that there needs to be a substantial improvement in fundraising to build up Reserves.

Klal Chazon Limited

Trustees' Report (continued)

Public Benefit

The trustees acknowledge the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit.

All activities undertaken by Klal Chazon are for the public benefit. With a range of activities offered for young people, the organisation's operation is very much geared to providing benefit to the public. Participants are encouraged to consider their moral responsibility for the community and the importance of having firm foundations and understanding of their heritage. This focus will continue to be central to Klal Chazon's future plans.

Plans for the Future

The Trustees plan to continue delivering and developing a wide range of programmes, events, trips and activities to support the objectives of the charity.

Trustees' Responsibilities in Relation to the Accounts

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial period. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the financial activities of the Company for that period. In preparing these financial statements, the Trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. follow applicable UK accounting standards and the Statement of Recommended Practice, subject to any departures disclosed and explained in the accounts;
- d. prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime and was approved by the Trustees on 13 August 2021 and signed on their behalf by:



J Roodyn
Trustee

Klal Chazon Limited**Independent examiner's report to the Trustees of Klal-Chazon Limited**

I report to the Charity Trustees on my examination of the accounts of the company for the year ended 31 December 2020, which are set out on pages 6 to 12.

This report is made solely to the charitable Company's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable Company's Trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable Company's Trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Charity's Trustees of the Company (and also its directors for the purposes 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 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 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.

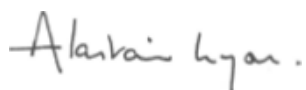
Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants of England and Wales.

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; or
2. the accounts do not accord with those records; or
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 (FRS 102)].

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.



Alastair Lyon FCA DChA
Aquis House
49-51 Blagrove Street,
Reading,
Berkshire,
RG1 1PL

17 August 2021

Klal Chazon Limited

Statement of Financial Activities
for the year ended 31 December 2020

	Note	2020	2019
		£	£
Income:			
Donations and legacies		306,845	125,414
<i>Income from charitable activities:</i>			
Participant payments		14,406	115,863
Job Retention Scheme grants		<u>27,850</u>	=
Total incoming resources		<u>349,101</u>	<u>241,277</u>
Expenditure:			
<i>Costs of raising funds:</i>			
Donor fundraising costs		2,798	-
<i>Expenditure on charitable activities:</i>			
Charitable donations		-	-
Charitable activities	4	<u>258,317</u>	<u>285,282</u>
Total expenditure		<u>261,115</u>	<u>285,282</u>
Net income/(deficit) for the year		87,986	(44,005)
Reconciliation of funds:			
Total funds brought forward		<u>(31,611)</u>	<u>12,394</u>
Total funds carried forward		<u>£56,375</u>	<u>£(31,611)</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 8 to 12 form part of these accounts.

Klal Chazon Limited
Company number 10832208

Balance Sheet

As at 31 December 2020

	Note	31 Dec 2020 £	31 Dec 2019 £
Current Assets			
Debtors	6	7,387	3,812
Cash at bank and in hand		<u>91,066</u>	<u>10,737</u>
		98,453	14,549
Creditors: Amounts falling due within one year	7	<u>(42,078)</u>	<u>(46,160)</u>
Net current assets / (liabilities)		56,375	(31,611)
		<u> </u>	<u> </u>
Net assets / (liabilities)		<u>56,375</u>	<u>(31,611)</u>
		<u> </u>	<u> </u>
Funds			
Unrestricted funds	8	<u>56,375</u>	<u>(31,611)</u>
Total funds		<u>56,375</u>	<u>£ (31,611)</u>

For the financial year ended 31 December 2020, the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006; and no notice has been deposited under Section 476. The Trustees acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 386 and preparing accounts which give a true and fair view of the state of affairs of the Company at the end of the period and for its financial activities for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006, so far as applicable to the Company.

The accounts were approved on 13 August 2021 and signed on behalf of the board.


 _____ Trustee
 J Roodyn

The notes on pages 8 to 12 form part of these accounts.

Klal Chazon Limited

Notes to the Accounts – 31 December 2020

1. Company information

The principal activity of Klal Chazon Limited is the advancement of Jewish education and culture. The company is registered as a charitable company limited by guarantee (company number: 10832208, charity number 1177390). It is incorporated and domiciled in the UK. The address of the registered office is 379 Hendon Way, London NW4 3LP.

2. Accounting Policies**a. Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006. The company 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 accounting policy notes. The principal accounting policies adopted in the preparation of the financial statements are as follows:

b. 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.

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 cost of raising and administering such funds are charged against the specific fund.

c. Expenditure

Cost of fundraising activities are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the delivery of its activities and include both the direct costs and support costs relating to these activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

d. Income

Donations are accounted for when the Charity becomes entitled to the donation and any conditions for receipt are met and the amount is capable of measurement.

e. Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

f. Cash Flow

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Klal Chazon Limited

Notes to the Accounts – 31 December 2020

g. **Financial Instruments**

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. Note 10 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and other taxation and social security.

h. **Government Grants**

Grants are accounted for under the performance model as permitted by the charity SORP. Coronavirus Job Retention Scheme grant income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

3. **Key Judgements and Estimates**

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going 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 the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Having reviewed the financial position in light of the Covid-19 restrictions, the Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and have reasonable expectations that the Charity has access to adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

4 **Analysis of expenditure on charitable activities**

					2020	2019
	Basis of allocation	Charitable activities £	Support costs £	Governance costs £	Total £	Total £
Staff costs	Direct	65,887	40,479	-	106,366	95,329
Programme & trip expenditure	Direct	70,281	-	-	70,281	142,168
General office	Direct		80,710		80,710	45,299
Independent examination fee	Direct			960	960	2,486
		<u>136,168</u>	<u>121,189</u>	<u>960</u>	<u>258,317</u>	<u>285,282</u>
Support costs		121,189	(121,189)		-	-
Governance costs		<u>960</u>		<u>(960)</u>	<u>=</u>	<u>=</u>
Total charitable activity expenditure		<u>258,317</u>	<u>=</u>	<u>=</u>	<u>258,317</u>	<u>285,282</u>

Of the total expenditure (£258,317) all of it was unrestricted (2019: £285,282)

Klal Chazon Limited

Notes to the Accounts – 31 December 2020

5 Analysis of staff costs, trustee remuneration and expenses

	2020 £	2019 £
Salaries and wages	97,260	86,528
Pension costs	1,831	1,639
Social security costs	<u>7,275</u>	<u>7,162</u>
	<u>106,366</u>	<u>95,329</u>

No trustee received any remuneration, benefits in kind or reimbursement of expenses in the year (2019 £nil).

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

	2020	2019
Education	4	4

Total remuneration paid to key management personnel was £36,145 (2019: £33,228). All Trustees are included as key personnel. No employee received salaries at a rate of more than £60,000 per annum.

6 Debtors

	2020 £	2019 £
Trade Debtors	48	48
Other debtors	2,845	3,359
Sister charity	2,362	-
Prepayments	<u>2,132</u>	<u>7,330</u>
	<u>7,387</u>	<u>10,737</u>

7 Creditors: Amounts falling due within one year

	2020 £	2019 £
Credit card balances	2,047	912
Trade creditors	3,625	5,960
Other Creditors	27,438	-
Amount owed to sister charity	-	32,356
Taxation and social security	7,718	1,882
Accruals and deferred income	<u>1,250</u>	<u>5,050</u>
	<u>42,078</u>	<u>46,160</u>

8 Statement of Funds

	1 Jan 2020 £	Income £	Expenditure £	31 Dec 2020 £
Unrestricted Funds				
General funds	(31,611)	349,101	261,115	56,375

Unrestricted funds represent funds available to the trustees for the general purposes of the charity.

Klal Chazon Limited

Notes to the Accounts – 31 December 2020

9 Related Party Transactions

Jewish Futures Trust (JFT) is the sole member of Klal Chazon. JFT made donations to Klal Chazon during the year under review of £84,000 (2019: nil).

During the year Klal Chazon benefited and paid for the provision of central costs and overheads of running a central office for Klal Chazon and sister charities. Amounts charged by JFT for 2020 were £25,000 (2019: £nil) and also for educational and programming support JFT contributed services worth £45,000 during the year.

At the year-end JFT owed Klal Chazon £2,362 (2019: Klal Chazon owed JFT £12,346).

Chazak Ltd is a sister charity of Klal Chazon and part of the Jewish Futures Trust group. In 2019 Chazak lent Klal Chazon £20,000, which was repaid during 2020.

10 Financial Instrument

	31 Dec 2020 £	31 Dec 2019 £
Financial assets measured at amortised cost	96,321	7,220
Financial liabilities measured at amortised cost	42,078	42,359
	=====	=====

Financial assets measured at amortised cost include trade debtors, amount owed by group undertakings, other debtors and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals excluding deferred income.

11 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company is a 100% subsidiary of Jewish Futures Trust Limited, a limited liability company, registered number 07884678 and a registered charity number 1151066. Jewish Futures Trust is involved in public education and cultural activities.

The Trustees regard Jewish Futures Trust Limited as the immediate and ultimate parent company. Jewish Futures Trust prepare consolidated annual accounts, including the results of the Company. A copy of the consolidated accounts can be obtained from the JFT head office at 379 Hendon Way, London NW4 3LP.

Klal Chazon Limited

Notes to the Accounts – 31 December 2020

12 Comparative Statement of Financial Activities for the year ended 31 December 2019

	Note	2019 1 Jan 2019 to 31 Dec 2019 £	2018 1 Jan 2018 to 31 Dec 2018 £
Income:			
Donations and legacies		125,414	71,867
<i>Income from charitable activities:</i>			
Participant payments		<u>115,863</u>	<u>2,769</u>
Total incoming resources		241,277	74,636
		_____	_____
Expenditure:			
<i>Costs of raising funds:</i>			
Donor fundraising costs		0	0
<i>Expenditure on charitable activities:</i>			
Charitable donations		0	0
Charitable activities	4	<u>285,282</u>	<u>63,020</u>
Total expenditure		285,282	63,020
		_____	_____
Net income for the year		(44,005)	11,616
Reconciliation of funds:			
Total funds brought forward		<u>12,394</u>	<u>778</u>
Total funds carried forward		£ (31,611)	£12,394
		=====	=====