

Charity registration number: 1182807

# Chabad Community Care

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Gordon Levy BA, FCA  
Chartered Accountant  
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M1 3FH

# **Chabad Community Care**

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## **Chabad Community Care**

### **Reference and Administrative Details**

<b>Trustees</b>	David Jaffe Michael Sharp Raquel Jaffe Raymond Donn Cassandra Horwich
<b>Principal Office</b>	49 Singleton Road Manchester M7 4NA
<b>Charity Registration Number</b>	1182807
<b>Independent Examiner</b>	Gordon Levy BA, FCA Chartered Accountant Arthur House Chorlton Street Manchester M1 3FH

## **Chabad Community Care**

### **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

#### **Objectives and activities**

This is the second annual report of the trustees of Chabad Community Care which covers our first full year of operation.

This year saw the launch of the charity's Aliya Youth project focussing on providing mental health support to teenagers and young adults within the Jewish community of Greater Manchester. Support to the older members of the community continued in parallel to this new project as described below.

The Covid-19 pandemic has had a major effect on our operations.

#### **Support for the elderly**

To protect the health of our older members, the decision was taken to close our luncheon club in advance of the government announcing restrictions in March 2020. Since then, support to the older members of the community has been through a combination of telephone contact, socially distanced music performances arranged outside apartment blocks and old age homes, and assistance with shopping through the Coronavirus Delivery Squad Angels (CSDA) - a joint initiative with Lubavitch South Manchester (LSM).

Our Coronavirus response activities provided approximately 5000 support phone calls and 3000 "love packages" to the isolated & shielded. In the region of 2000 people enjoyed our "garden singers/player".

As part of the CSDA initiative our staff and volunteers have, with LSM, helped to make nearly 5000 home deliveries of food and essential items to members of the community since March 2020.

Taken together our activities during the pandemic have delivered over 18000 engagements with the lonely and isolated in our community.

A review has been initiated of the services that we provide to our older members reflecting the evolving demand for our services and the longer-term impact of the pandemic on the ability of our clients to meet socially, whether due to government restrictions or a lack of individual confidence.

#### **Aliya Youth project**

We appointed an experienced project director for the Aliya Youth project in January 2020, and later in the year we appointed a female support worker able to work with teenage and young adult girls. At the same time, we undertook a search for suitable premises for the project, eventually signing a lease on premises that had been used as a youth club in the recent past, in a central location within our client community.

The period up to the imposition of government restrictions focused on planning for the project launch, discussions with stakeholders and developing a programme of activities.

Actual Aliya Youth operations commenced following the lifting of the first national lockdown with the organisation of a number of rambles and other outdoor activities consistent with government social distancing regulations. Over 400 attendees (engagements) were recorded at those events (many individuals attending more than one event).

## **Chabad Community Care**

### **Trustees' Report**

Indoor operations were delayed until October 2020 due to the extensive planning needed to ensure Covid-secure operations. Indoor activities comprise a combination of group programs and individual support with well over 100 attendees (engagements) each week (many individuals attending more than one event).

The project has partnered with other similar charitable organisations to offer as comprehensive package of services as possible, and we make our premises available to our partners when appropriate.

In total, in the period October to December 2020, Aliya Youth has had over 1500 engagements with individuals requiring support, with some of these being in severe crisis situations. This indicates a much faster growth in demand for our services than we anticipated, reflecting the depth of the mental health crisis in the community. Responding to this crisis will pose challenges with respect to increasing resources and raising the funds required to finance the activities.

#### **Management**

In providing our services Chabad Community Care works in close partnership with a sister organisation Lubavitch South Manchester (LSM), which is itself part of Chabad Lubavitch, registered charity 1128933. Chabad Community Care currently shares staff with LSM, and the staff costs recorded in our accounts for 2020 reflect our contribution towards the total payroll bill. The trustees would like to formally record their appreciation for the ongoing support of LSM.

As with any charity, challenges are posed by the need to both cover ongoing operating costs and to develop adequate reserves for the future. The growth in demand for Aliya Youth project services is much faster than expected and has created the need for additional resources to manage the delivery of project programmes within the next year, and if maintained will require the identification of larger premises in the vicinity.

Funding for the Aliya Youth project is segregated into a separate restricted funds bank account to assist in proper management of our resources, although the trustees retain the discretion to use available unrestricted funds in support of the project.

The charity continues to be financially solvent and has recruited additional fundraising expertise to focus on funding the growth of the Aliya Youth project. It is our long term aim to have a staffing complement that is totally dedicated to Chabad Community Care and Aliya Youth project activities, while continuing to work in partnership with Lubavitch South Manchester and other organisations for the wider benefit of the community that we all serve.

The original trustees identified in the charity's constitution continue in office, namely Rabbi David Jaffe, Raquel Jaffe, Raymond Donn (chairman) and Michael Sharp (treasurer). In December 2020 an additional trustee was appointed, Cassandra Horwich, to broaden the range of relevant expertise in the management of the charity.

Regulatory compliance has continued to be a key focus of attention during the year, with specific policies and procedures being updated to reflect changes in circumstance. Registration with the Information Commissioner's Office for data protection purposes and with the office of the Fundraising Regulator has been maintained.

Safeguarding is a primary issue of concern in all of our activities, and while no events of concern have arisen during the year requiring onward reporting to an appropriate agency, the charity continues to use the services of Manchester City Council to process applications to the Disclosure and Barring Service.

In summary, due to the coronavirus pandemic, the charity has faced a challenging year, but has responded well to those challenges, laying the foundations for future growth to meet community needs.

## Chabad Community Care

### Trustees' Report

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Statement of Trustees' Responsibilities**

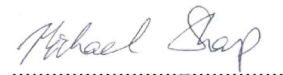
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 31 October 2021 and signed on its behalf by:



Michael Sharp  
Trustee

## **Chabad Community Care**

### **Independent Examiner's Report to the trustees of Chabad Community Care**

I report on the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 13.

#### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

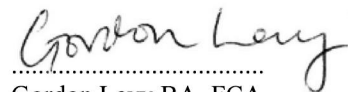
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Gordon Levy BA, FCA  
Chartered Accountant

Arthur House  
Chorlton Street  
Manchester  
M1 3FH

31 October 2021

## Chabad Community Care

### Statement of Financial Activities for the Year Ended 31 December 2020

		Unrestricted funds £	Restricted funds £	Total 31 December 2020 £
	Note			
<b>Income and Endowments from:</b>				
Donations and legacies		14,459	38,658	53,117
<b>Expenditure on:</b>				
Raising funds		(278)	(2,332)	(2,610)
Charitable activities		<u>(88,703)</u>	<u>(19,052)</u>	<u>(107,755)</u>
Total Expenditure		<u>(88,981)</u>	<u>(21,384)</u>	<u>(110,365)</u>
Net movement in funds		(74,522)	17,274	(57,248)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>11,436</u>	<u>35,000</u>	<u>46,436</u>
Total funds carried forward	12	<u>(63,086)</u>	<u>52,274</u>	<u>(10,812)</u>
	Note	Unrestricted funds £	Restricted funds £	Total 31 December 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies		14,936	35,000	49,936
Investment income	3	<u>1</u>	<u>-</u>	<u>1</u>
Total Income		<u>14,937</u>	<u>35,000</u>	<u>49,937</u>
<b>Expenditure on:</b>				
Raising funds		(423)	-	(423)
Charitable activities		<u>(3,078)</u>	<u>-</u>	<u>(3,078)</u>
Total Expenditure		<u>(3,501)</u>	<u>-</u>	<u>(3,501)</u>
Net movement in funds		<u>11,436</u>	<u>35,000</u>	<u>46,436</u>
<b>Reconciliation of funds</b>				
Total funds carried forward	12	<u>11,436</u>	<u>35,000</u>	<u>46,436</u>

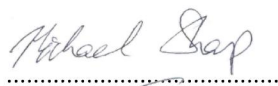
All of the charity's activities derive from continuing operations during the above two periods.



**Chabad Community Care**  
**(Registration number: 1182807)**  
**Balance Sheet as at 31 December 2020**

	Note	31 December 2020 £	31 December 2019 £
<b>Fixed assets</b>			
Tangible assets	8	3,257	-
<b>Current assets</b>			
Debtors	9	44	44
Cash at bank and in hand		12,411	47,186
		12,455	47,230
<b>Creditors: Amounts falling due within one year</b>	10	(1,524)	(794)
<b>Net current assets</b>		10,931	46,436
<b>Total assets less current liabilities</b>		14,188	46,436
<b>Creditors: Amounts falling due after more than one year</b>	11	(25,000)	-
<b>Net (liabilities)/assets</b>		(10,812)	46,436
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		52,274	35,000
<b>Unrestricted income funds</b>			
Unrestricted funds		(63,086)	11,436
<b>Total funds</b>	12	(10,812)	46,436

The financial statements on pages 6 to 13 were approved by the trustees, and authorised for issue on 31 October 2021 and signed on their behalf by:



Michael Sharp  
Trustee

## **Chabad Community Care**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Accounting policies**

##### **Statement of compliance**

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 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

Chabad Community Care 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.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

##### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

## **Chabad Community Care**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises 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.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Chabad Community Care

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 2 Income from donations and legacies

	Unrestricted funds		Total 31 December 2020 £	Total 4 April 2019 to 31 December 2019 £
	General £	Restricted funds £		
Donations and legacies;				
Donations from individuals	14,459	16,790	31,249	14,936
Grants, including capital grants;				
Government grants	-	11,868	11,868	-
Grants, incl. from other charities	-	10,000	10,000	35,000
	<u>14,459</u>	<u>38,658</u>	<u>53,117</u>	<u>49,936</u>

#### 3 Investment income

	Total 31 December 2020 £	Total 4 April 2019 to 31 December 2019 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>1</u>

#### 4 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds		Total 4 April 2019 to 31 December 2019 £
	General £	Total 31 December 2020 £	
Legal and professional fees	429	429	3,048
Marketing and publicity	-	-	30
	<u>429</u>	<u>429</u>	<u>3,078</u>

## **Chabad Community Care**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **5 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### **6 Staff costs**

The aggregate payroll costs were as follows:

	<b>2020</b> <b>£</b>
<b>Staff costs during the year were:</b>	
Wages and salaries	81,500
Other staff costs	644
	<hr/>
	82,144
	<hr/>

No employee received emoluments of more than £60,000 during the year

## Chabad Community Care

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 8 Tangible fixed assets

	Computer equipment £	Total £
<b>Cost</b>		
Additions	3,257	3,257
At 31 December 2020	3,257	3,257
<b>Depreciation</b>		
At 31 December 2020	-	-
<b>Net book value</b>		
At 31 December 2020	3,257	3,257

#### 9 Debtors

	31 December 2020 £	31 December 2019 £
Prepayments	44	44

#### 10 Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Other creditors	1,524	794

#### 11 Creditors: amounts falling due after one year

	31 December 2020 £
Other loans	25,000

An interest free and unsecured loan of £25,000 was made to the charity during the year on a non-fixed term basis. The lender has provided assurance to the trustees that the loan will not be called in for at least 12 months from the signing date of these accounts, hence, allowing the charity to operate as a going concern.

## Chabad Community Care

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 12 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>				
General	(11,436)	(14,261)	88,783	63,086
<b>Restricted funds</b>	<u>(35,000)</u>	<u>(38,658)</u>	<u>21,384</u>	<u>(52,274)</u>
<b>Total funds</b>	<u><u>(46,436)</u></u>	<u><u>(52,919)</u></u>	<u><u>110,167</u></u>	<u><u>10,812</u></u>