

Charity Registration No. 1195729

Company Registration No. 12746123 (England and Wales)

**BNJC**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	R F Comer	
	M P Davids	
	N R Isaac	
	J A Bohm	(Appointed 15 March 2024)
	E J Estrin	(Appointed 13 July 2024)
	Y Breuer	(Appointed 13 July 2024)
	R Simonson	(Appointed 13 July 2024)

**Charity number** 1195729

**Company number** 12746123

**Registered office**  
Maria House  
35 Millers Road  
Brighton  
BN1 5NP  
England

**Auditor**  
HW Fisher Audit  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

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## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 JUNE 2023

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The trustees present their report and financial statements for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 1 January 2019)".

#### Objectives and activities

The charity's objectives are

- to benefit the residents of Brighton and Hove and the surrounding neighbourhood, in particular but not exclusively those residents who profess the Jewish faith.
- the provision of early years education through providing nursery facilities.
- the relief of unemployment or financial hardship through the provision of education, training and co-working spaces to enable individuals to generate a sustainable income and be self-sufficient.

The policies adopted are in furtherance of these objectives, and there has been no change in these during the year.

The Trustees confirm they have complied with the duty in the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

#### Completion of The Build & Start of Activities

We took possession of the centre at 29-31 New Church Road, Hove at the end of February 2023. This was the end of a three year construction. There are effectively four buildings at the centre and the facilities within these buildings are split between the development company which partnered in the build, BNJC group and Brighton and Hove Hebrew Congregation (BHHC), the charity independent of us, which owns the freehold of the centre and operates the shul and mikvah (ritual bath).

These assets comprise: a row of 10 mews homes called Fig Tree Lane; a shul; a six storey residential block at the west end of the site called Olive Tree Court; and a five storey block at the east end called Elm Tree Court; there is also a basement for car parking, preparation areas for the restaurant business, a gym and mikvah (ritual bath). On the ground floor of the residential apartment blocks there are commercial spaces: a restaurant and supporting kitchen; event space including classrooms; our nursery which has the brand name Shores, the Hebrew word for 'roots'. And on the first floor of Olive Tree Court, above the restaurant is our co-working space.

BNJC group operates (through a combination of long and medium term leases) all commercial areas except for the shul and mikvah (ritual bath). BNJC works closely with BHHC to ensure a comprehensive and 'joined up' offer to customers. BNJC group also has a number of leases on the residential properties which allow us to offer customers highly attractive residential short stay packages. This means that people visiting can enjoy on-site residential accommodation, kosher food, shul services, workspace, a gym (operated by an expert third party operator Pro Fitness Academy (PFA)), join the programme of events taking place while they are visiting, and all of this in a beautiful beach side venue an hour from London.

BNJC's main goal is to help build vibrancy for the local Jewish community. To that end, we support BHHC in its goal of providing shul services each and every day, and having a well attended Saturday morning (Shabbat) service in particular. We supplement BHHC's offering with religious and cultural programming aimed at different age groups and different demographics. For example, the very first theatrical event we hosted at the centre was a four person play depicting the life of Anne Frank in the lead up to the Holocaust, and this was attended by her step sister and survivor Eva Schloss, who answered questions at the end of the performance. We have a regular staple of programmes, such as art and language classes, and explanatory services to support BHHC.

#### Achievements and performance

The period after taking possession saw us build our staff and prepare our charity for opening. For example, having recruited a head for Shores nursery (a brand that sits within BNJC), her immediate focus was readiness for Ofsted registration. Similarly having recruited a team of chefs for the kosher restaurant and shop / deli (these operate within a 90% owned subsidiary Novellino Brighton Limited) we went through a process of branding, compliance and bringing the kitchen areas to the level required.

The centre was officially opened by The Chief Rabbi in June 2023, and we were fortunate to have a beautiful Summer's Day and were inspired by his words of support for our vision of rejuvenating the Jewish community in the city of Brighton and Hove

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2023**

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**Future Plans**

We continue to welcome Jewish groups from across the UK to the centre, usually for weekends to celebrate Shabbat and enjoy the combination of facilities that we have: residential accommodation; an on-site shul operated by Brighton and Hove Hebrew Congregation; a kosher restaurant and shop; and a team that helps co-ordinate programming to ensure a rewarding visit.

We also welcome charities and business who look to use the centre for strategy planning days and offsites. The combination of the facilities listed above, plus event space for meetings, gym and workspace means we are well positioned to cater for offsites and overnights.

We also regularly organise interfaith events and encourage local residents to use our facilities. PFA has built up a sizeable gym membership, which currently stands at around 300 members. One of our challenges is to work with PFA to encourage these customers to eat more regularly in the restaurant and take part in more film nights and other such events that we organize. Income we receive from PFA, and activity and income from Workspace and our events, are all within 100% owned trading subsidiary BNJC Trading Limited.

Any profits in the future within our subsidiaries will stay within the BNJC group to support the charity.

**Financial review**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three- and six-month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

BNJC has been reliant, since inception, on the support of The Bloom Foundation for funding. This remains the case, and BNJC has a letter of support from The Bloom Foundation to this end. As a board of Trustees, we believe it is important over time to reduce our reliance by improving our operations, and broadening our pool of supporters. As we make progress in this endeavour, we will look to build reserves up-to three months' of working capital needs, a level we see as prudent.

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.

The Trustees re-appointed the auditors at the end of June 2024.

For the period ended 30 June 2023, the group had net income of £2,675,959 (2022: net income of £131,588) which resulted in reserves at the year-end of £2,842,632 (2022: £166,673).

**Structure, governance and management**

The charity is a private company limited by guarantee, Incorporated under the Companies Act 2006 with a registration number 12746123. It is also Registered with the Charity Commission 1195729.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R F Comer	
M P Davids	
N R Isaac	
J A Bohm	(Appointed 15 March 2024)
E J Estrin	(Appointed 13 July 2024)
Y Breuer	(Appointed 13 July 2024)
R Simonson	(Appointed 13 July 2024)

## **BNJC**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2023***

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Trustees are appointed for a three-year term, and at the end of each term they shall retire from office, but are eligible for reappointment.

None of the Trustees has any beneficial interest in the company.

All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The organisational structure consists of a CEO supported by a team to ensure smooth running of the facility and to further the goals of the charity.

**Disclosure of information to auditor** Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

  
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Trustee

Dated: 10/2/25  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 30 JUNE 2023***

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The trustees, who are also the directors of BNJC for the purpose 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).

A combination of Company Law 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 group and the parent charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that year.

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; and
- prepare the financial statements 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 disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BNJC**

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**Opinion**

We have audited the financial statements of BNJC (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the group statement of financial activities, the balance sheets, the group statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 June 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.



**INDEPENDENT AUDITOR'S REPORT (CONTINUED)****TO THE MEMBERS OF BNJC**

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We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and Companies Act 2006
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party and consolidated balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BNJC**

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Simon Mott-Cowan (Senior Statutory Auditor)**  
**for and on behalf of HW Fisher Audit**

Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

.....11 Feb 2025

# BNJC

## GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 JUNE 2023**

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £
	Notes					
<b>Income from:</b>						
Donations and legacies	3	550,200	-	3,022,940	3,573,140	301,350
Charitable activities	4	610	-	-	610	-
Other trading activities	5	35,396	-	-	35,396	-
<b>Total income</b>		586,206	-	3,022,940	3,609,146	301,350
<b>Expenditure on:</b>						
Raising funds	6	402,665	-	-	402,665	28,904
Charitable activities	7	530,522	-	-	530,522	140,858
<b>Total resources expended</b>		933,187	-	-	933,187	169,762
Gross transfers between funds		-	2,680,038	(2,680,038)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(346,981)	2,680,038	342,902	2,675,959	131,588
Fund balances at 1 July 2022		166,673	-	-	166,673	35,085
<b>Fund balances at 30 June 2023</b>		(180,308)	2,680,038	342,902	2,842,632	166,673

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# BNJC

## BALANCE SHEETS

AS AT 30 JUNE 2023

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
<b>Fixed assets</b>					
Tangible assets	11	3,227,006	-	26,079	-
Investments	12	-	-	91	91
		<u>3,227,006</u>	<u>-</u>	<u>26,170</u>	<u>91</u>
<b>Current assets</b>					
Debtors	14	270,963	36,763	3,352,779	65,668
Cash at bank and in hand		99,154	152,798	58,013	152,697
		<u>370,117</u>	<u>189,561</u>	<u>3,410,792</u>	<u>218,365</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(754,491)</u>	<u>(22,888)</u>	<u>(188,441)</u>	<u>(22,889)</u>
Net current assets		<u>(384,374)</u>	<u>166,673</u>	<u>3,222,351</u>	<u>195,476</u>
<b>Total assets less current liabilities</b>		<u>2,842,632</u>	<u>166,673</u>	<u>3,248,521</u>	<u>195,567</u>
<b>Income funds</b>					
Restricted funds	17	342,902	-	342,902	-
<u>Unrestricted funds</u>					
Designated funds	18	2,680,038	-	2,680,038	-
General unrestricted funds		<u>(180,308)</u>	<u>166,673</u>	<u>225,581</u>	<u>195,567</u>
		<u>2,499,730</u>	<u>166,673</u>	<u>2,905,619</u>	<u>195,567</u>
		<u>2,842,632</u>	<u>166,673</u>	<u>3,248,521</u>	<u>195,567</u>

The Charity's net income for the year was £3,052,954 (2022: £160,492).

The financial statements were approved by the Trustees on 10<sup>th</sup> February 2024



Trustee

Company Registration No. 12746123

## BNJC

### GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		3,204,487		117,539
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,258,131)		-	
<b>Net cash used in investing activities</b>			(3,258,131)		-
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(53,644)		117,539
Cash and cash equivalents at beginning of year			152,798		35,259
<b>Cash and cash equivalents at end of year</b>			99,154		152,798

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**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2023**

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**1 Accounting policies****Charity information**

BNJC is a private company limited by guarantee incorporated in England and Wales. The registered office is Maria House, 35 Millers Road, Brighton, BN1 5NP, England.

**1.1 Accounting convention**

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, the Charities Act 2011 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 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

Consolidated financial statements have been prepared for the charity and its trading subsidiaries, BNJC Trading Limited and Novellino Brighton Limited. The results of the subsidiaries have been consolidated on a line by line basis. The charity has taken advantage of S.408 Companies Act 2006 and has not prepared a separate Statement of Financial Activities for the charity.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Ultimately, the entity will be supported by The Bloom Foundation, a connected charity, who have confirmed their support to cover any financial shortfalls for at least 12 months from the approval date of these financial statements. The Trustees have a reasonable expectation that the Charity and its subsidiaries will be able to continue in operation for the foreseeable future.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**1.5 Expenditure**

Resources expended are recognised in the period to which they relate.

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the charitable objectives.

Support costs represent costs that cannot be directly attributed to activities. These costs have been allocated across the charitable activities on the basis of grant expenditure.

Governance includes the costs of compliance with constitutional and statutory requirements and has been allocated across the charitable activities in the same proportions as support costs.

Wages and salaries have also been allocated across the charitable activities on the basis of time.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

**1 Accounting policies****(Continued)****1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Not subject to depreciation this year, as not brought into use.
Equipment and Machinery	5 years on a straight line basis
Fixtures and fittings	5 years on a straight line basis
Educational Resources	5 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## FOR THE YEAR ENDED 30 JUNE 2023

## 1 Accounting policies

(Continued)

*Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

## 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements****Land and Buildings**

The land and buildings asset class, which is enclosed within BNJC Trading Limited, has used valuation invoices from third party surveyors to estimate the cost of the building as at the year ended 30 June 2023. As the building was not brought into use, depreciation was not charged for the year ended 30 June 2023.

## 3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £
Donations and gifts	550,200	3,022,940	3,573,140	301,350



# BNJC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 4 Charitable activities

	Unrestricted Funds 2023 £	2022 £
Engagement Income	610	-

### 5 Other trading activities

	Unrestricted funds general 2023 £	Total 2022 £
Trading activity income	35,396	-

### 6 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	1,985	-
<u>Trading costs</u>		
Operating trading company undertaking non-charitable trading activity	52,011	-
Staff costs	7,633	-
Support costs	341,036	28,904
Trading costs	400,680	28,904
	402,665	28,904

# BNJC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 7 Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Depreciation and impairment	1,374	-
Charitable and political donations	1,000	-
Staff uniforms, clothing and cleaning	5,464	-
Hire of equipment	2,620	-
Meetings and conference costs	4,992	-
Service charge	5,282	-
	<hr/> 20,732	<hr/> -
Share of support costs (see note 8)	500,015	125,963
Share of governance costs (see note 8)	9,775	14,895
	<hr/> 530,522	<hr/> 140,858
	<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

## 8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	406,853	-	406,853	80,731	-	80,731
Depreciation	29,751	-	29,751	-	-	-
Exchange Losses	19	-	19	-	-	-
Travel	17,231	-	17,231	4,116	-	4,116
IT software, consumables	8,652	-	8,652	33,390	-	33,390
Utilities	61,898	-	61,898	-	-	-
Insurance	3,030	-	3,030	1,520	-	1,520
Licenses and subscriptions	8,920	-	8,920	30	-	30
Repairs and maintenance	13,044	-	13,044	-	-	-
Printing, postage and stationery	6,814	-	6,814	587	-	587
Advertising and marketing	103,860	-	103,860	34,074	-	34,074
General expenses	149,863	-	149,863	419	-	419
Rent and rates	24,880	-	24,880	-	-	-
Accountancy	-	15,522	15,522	-	5,535	5,535
Legal and professional	-	489	489	-	9,360	9,360
	<u>834,815</u>	<u>16,011</u>	<u>850,826</u>	<u>154,867</u>	<u>14,895</u>	<u>169,762</u>
Analysed between						
Trading	334,800	6,236	341,036	28,904	-	28,904
Charitable activities	<u>500,015</u>	<u>9,775</u>	<u>509,790</u>	<u>125,963</u>	<u>14,895</u>	<u>140,858</u>
	<u>834,815</u>	<u>16,011</u>	<u>850,826</u>	<u>154,867</u>	<u>14,895</u>	<u>169,762</u>

Governance costs includes payments to the auditors of £9,286 (2022- £5,535) for audit and accountancy fees.

## 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# BNJC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
BNJC	7	2
Novellino Brighton Limited	6	-
Total	13	2

#### Employment costs

	2023 £	2022 £
Wages and salaries	386,329	71,522
Social security costs	17,864	2,821
Other pension costs	5,324	5,674
	409,517	80,017

There were no employees whose annual remuneration was £60,000 or more.

#### 11 Tangible fixed assets

Group	Leasehold land and buildings £	Equipment and Machinery £	Fixtures and fittings £	Educational Resources £	Total £
<b>Cost</b>					
Additions	2,513,210	624,446	108,166	12,309	3,258,131
At 30 June 2023	2,513,210	624,446	108,166	12,309	3,258,131
<b>Depreciation and impairment</b>					
Depreciation charged in the year	-	23,970	6,795	360	31,125
At 30 June 2023	-	23,970	6,795	360	31,125
<b>Carrying amount</b>					
At 30 June 2023	2,513,210	600,476	101,371	11,949	3,227,006

# BNJC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 11 Tangible fixed assets (Continued)

##### Charity

	Equipment and Machinery £	Fixtures and fittings £	Educational Resources £	Total £
<b>Cost</b>				
Additions	704	13,969	12,309	26,982
At 30 June 2023	704	13,969	12,309	26,982
<b>Depreciation and impairment</b>				
Depreciation charged in the year	156	387	360	903
At 30 June 2023	156	387	360	903
<b>Carrying amount</b>				
At 30 June 2023	548	13,582	11,949	26,079

#### 12 Fixed asset investments

	2023 £	2022 £
Fixed asset investments comprise:		
Investments in subsidiaries	91	91

#### 13 Subsidiaries

Details of the charity's subsidiaries at 30 June 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
BNJC Trading Limited	England and Wales	Other letting and operating of own or leased real estate	Ordinary	100.00	
Novellino Brighton Limited	England and Wales	Licensed restaurants	Ordinary	90.00	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

## 14 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	27,579	-	22,580	-
Amounts owed by subsidiary undertakings	-	-	3,274,129	28,905
Other debtors	182,162	-	-	-
Prepayments and accrued income	61,222	36,763	56,070	36,763
	<u>270,963</u>	<u>36,763</u>	<u>3,352,779</u>	<u>65,668</u>

## 15 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Other taxation and social security	17,754	1,145	10,290	1,145
Trade creditors	148,728	4,362	45,705	4,362
Amounts owed to subsidiary undertakings	-	-	-	1
Other creditors	109,022	6,311	106,582	6,311
Accruals and deferred income	478,987	11,070	25,864	11,070
	<u>754,491</u>	<u>22,888</u>	<u>188,441</u>	<u>22,889</u>

## 16 Retirement benefit schemes

**Defined contribution schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,324 (2022 - £5,674).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## FOR THE YEAR ENDED 30 JUNE 2023

## 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 July 2022	Incoming resources	Transfers	Balance at 30 June 2023
	£	£	£	£	£
The Bloom Foundation	-	-	2,922,940	(2,680,038)	242,902
Community Security Trust (CST)	-	-	100,000	-	100,000
	-	-	3,022,940	(2,680,038)	342,902

**The Bloom Foundation:** Represent core costs funding for the building, enclosed within BNJC Trading Limited. This includes the construction of the co-working space and gym within the site.

**Community Security Trust (CST):** Represents grants towards improving and enhancing the safety and security of the site.

## 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 July 2022	Transfers	Balance at 30 June 2023
	£	£	£	£
The Bloom Foundation	-	-	2,680,038	2,680,038
	-	-	2,680,038	2,680,038

**The Bloom Foundation:** Funds have been set aside by the trustees, for construction of the building and purchase of specific assets within (shown in Note 11).

## 19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds
	2023	2023	2023	2023	2022
	£	£	£	£	£
Fund balances at 30 June 2023 are represented by:					
Tangible assets	204,066	-	3,022,940	3,227,006	-
Transfers	-	2,680,038	(2,680,038)	-	-
Current assets/(liabilities)	(384,374)	-	-	(384,374)	166,673
	(180,308)	2,680,038	342,902	2,842,632	166,673

## BNJC

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

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#### 20 Related party transactions

During the year, BNJC received grants of £3,472,940 (2022: £300,000) from The Bloom Foundation of which Marc Sugarman is a trustee.

BNJC owed £103,327 (2022: £nil) to AGB Reading LLP (a connected company of which M Sugarman is a director) at the year end. AGB Reading LLP are also a party to the land and buildings asset featured in the statement of financial position.

Accountancy fees of £7,032 (2022: £nil) were paid to CCI Accountants Ltd (formerly known as Chisnall Comer Ismail & Co), of which R F Comer is a partner.

21	Cash generated from operations	2023 £	2022 £
	Surplus for the year	2,675,959	131,588
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	31,125	-
	Movements in working capital:		
	(Increase) in debtors	(234,200)	(26,260)
	Increase in creditors	731,603	12,211
	<b>Cash generated from operations</b>	<b>3,204,487</b>	<b>117,539</b>
22	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		