

CHABAD LUBAVITCH UK

England & Wales · Charity number 227638

Details

Other names	LUBAVITCH FOUNDATION
Status	Registered
Legal form	Other
Registered	1964-02-24
Register	View on the Charity Commission register

Contact

Address	Lubavitch House 107-115 Stamford Hill London N16 5RP
Phone	02088000022
Email	mail@chabad.org.uk
Website	www.chabad.org.uk

Activities

Objects: THE ADVANCEMENT AND PROMOTION OF THE JEWISH RELIGION IN ACCORDANCE WITH THE ORTHODOX TENETS THEREOF BY PROVIDING FACILITIES FOR THE STUDY OF AND INSTRUCTION IN JEWISH RELIGIOUS LITERATURE; BY THE ADVANCEMENT OF PUBLIC EDUCATION INCLUDING EDUCATION IN THE ORTHODOX JEWISH FAITH AND THE PROVISION OF RECREATIONAL FACILITIES ANCILLARY THERETO; BY THE PROVISION OF SCHOOL ROOMS, MEETING ROOMS AND ANCILLARY FACILITIES FOR PERSONS OF THE JEWISH FAITH; AND BY THE PROVISION OF FINANCIAL ASSISTANCE TO PERSONS OF THE JEWISH FAITH WHO ARE IN NEED TO ENABLE THEM TO OBSERVE AND PERFORM THE RITES AND PRACTICES OF THE JEWISH RELIGION.

Activities: The advancement and promotion of - The Jewish Religion and - Jewish education.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£6,632,429	£6,696,279	£18,366,121	142
2023-12-31	£5,590,169	£7,002,084	£18,429,971	128
2022-12-31	£5,707,830	£5,733,794	£19,841,886	130
2021-12-31	£6,017,466	£5,549,709	£19,328,089	149
2020-12-31	£5,331,903	£5,409,139	£15,154,528	161

Trustees

Name	Role	Appointed
Lubavitch (UK) Limited		

Accounts

CHABAD LUBAVITCH UK
CHARITY REGISTRATION NUMBER 227638

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2024



LEGAL AND ADMINISTRATIVE INFORMATION

Address: Lubavitch Foundation
107-115 Stamford Hill
London N16 5RP

Corporate Trustee: Lubavitch (UK) Limited

Central Administration: Rabbi Yitchok Sufrin - Trustee
Katherine Eaton – Finance Director
Jon Benjamin – Chief Operating officer

Independent Auditors: Goldwins
75 Maygrove Road
West Hampstead
London NW6 2EG

Principal Bankers: Barclays plc
Level 12
1 Churchill Place
London E14 5PH

Report of the Trustee for the Year Ending 31 December 2024

Objectives and Activities

Chabad Lubavitch UK's charitable objects are the advancement and promotion of the Orthodox Jewish religion by providing facilities for the study of and instruction in Jewish religious literature; by the advancement of public education including education in the Orthodox Jewish faith and the provision of ancillary recreational facilities; by the provision of school rooms, meeting rooms and ancillary facilities for persons of the Jewish faith; and by the provision of financial assistance to persons of the Jewish faith who are in need to enable them to observe and perform the rites and practices of the Jewish religion.

The ethos of the Lubavitch movement remains at the core of our activities when delivering these objectives by unconditionally providing a welcoming open door to Jewish people from all walks of life, by making Judaism accessible and relevant by empowering individuals to develop, associate, identify and participate, by caring for and supporting the welfare of Jewish people and communities with devotion and affection no matter the time, place or need and by educating a generation of dedicated and skilled community leaders who live by the words, "Love your fellow as yourself".

Whether through Chabad Houses, activities on university campuses, events throughout the year across the country, educational programmes or through our network of Early Years provision and schools, the charity engages with thousands of beneficiaries of all ages and backgrounds. And in times of personal crisis, our Shluchim (local emissaries) are on hand to support those suffering isolation, loss, bereavement and other challenges.

Public Benefit

The Trustee and its officers have regard to Section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit in delivering the charity's various activities and consider that the accessible approach when reaching out to beneficiaries across the community reflects and fulfils the charity's legal obligation to ensure that there is a public benefit in everything that the charity strives to do.

Safeguarding

The charity takes the safeguarding of young people and other vulnerable persons extremely seriously and has, since 2015, worked closely with the NSPCC to develop and implement a comprehensive safeguarding policy and ensure that all relevant persons receive frequent periodic training appropriate to their roles. The policy is kept under constant review, with a major review in consultation with the NSPCC completed in 2023 and ongoing updates and training implemented in 2024, including training for all our affiliates to ensure that they are all fully aware of their legal responsibilities. Procedures have been established to implement the policy. New employees are fully vetted and DBS checked and periodic training and vetting checks take place thereafter.

Our thanks

We would like to thank all of our partners, supporters and friends for their continuing encouragement and assistance. We are grateful to all those who have given so much time and commitment to the advancement of the charity and its objectives.

We would also like to thank the professional team and the many members of our community who, due to the outgoing nature of our philosophy, so generously volunteer their time, and we would like to extend our heartfelt appreciation for their loyalty and ongoing support for the charity. As team members, they

have often put aside personal needs and worked together to realise some of the charity's key aspirations and targets. Without the personal efforts of everyone on the team, none of our many achievements would have been possible.

Achievements and performance: Summary of some of our key activities in 2024

Chabad Houses, present and future

Our network of Chabad houses, in towns and cities across the country, serve communities and university campuses and play a vital role in bringing Jewish knowledge and practice to thousands of beneficiaries every year through a range of innovative programmes and activities. These include daily and weekly worship, Sabbath and Festivals services and celebrations, educational programmes and providing practical and pastoral support to communities. Our Shluchim and volunteers rally to the needs of communities and individuals isolated and apart from family and friends, particularly during the Festivals. Pesach, Rosh Hashanah and Chanukah 'in a Box' deliveries saw thousands of festive food, educational and spiritual items distributed across the country so that no one needed to miss out on observing and celebrating these important spiritual events.



Rabbi Brackman preparing the Chanukiah, Oxford

As well as those that are formally part of the Chabad Lubavitch UK, we work closely with independent Chabad Centres under the umbrella of the international Chabad Lubavitch movement, providing professional and other support and guidance, and coordinating activities with our colleagues. We are indebted to all of our Shluchim and their families for their selfless commitment to the needs of those they serve, on Jewish festivals, Shabbatot and throughout the year.

Holiday Camps

Our always popular camps continue to attract children in significant numbers. Over 2,000 children attended camps with Chabad's Camp Gan Israel Network around the UK. Many of the places were heavily subsidised, enabling children to enjoy a meaningful summer experience regardless of their parents' ability to pay and irrespective of their family's level of religious observance.



Outdoor adventures at the girls' camp

This included many children normally eligible for free school meals during term time, meaning that they received a meal that they might not otherwise have received at home during the holidays.

Lubavitch Children's Centre

The Lubavitch Children's Centre continues to serve as a vital resource for families across Hackney and Haringey. Purpose-built and based in the heart of Stamford Hill, the Centre provides a culturally sensitive, welcoming and multilingual environment where families feel supported and included. It remains a trusted one-stop hub for children from infancy through early childhood, their parents and carers, and the wider community.

Our programmes go far beyond childcare. We continue to deliver a wide range of services that promote the physical, emotional and social wellbeing of families. These include parenting support, health advice, first aid courses, household budgeting workshops, healthy eating sessions and exercise classes. The Centre also responds swiftly to emerging needs in the community, whether through practical health initiatives such as immunisation drives, or through spiritual and cultural enrichment via festival and holiday programmes.

The nursery provides outstanding day-care for children aged 0–4 in a warm and nurturing environment. Alongside early education, children benefit from kosher, nutritious meals, carefully balanced to support healthy growth and development. This holistic approach ensures that we are nurturing both the minds and bodies of the next generation.



Our impact is reflected in the recognition we have received. The Centre has achieved the Mayor of London Gold Award and was recently rated Good by Ofsted, with particular praise for the excellence of our leadership, our strong safeguarding practices, and the depth of our engagement with the community. These accolades highlight the quality of our provision and the trust families place in us.

On an average day, around 100 children and family members make use of the Centre, with more than 3,000 families supported over the course of the year. Our work is made possible through strong partnerships with Hackney Education, local authorities, the Homerton and Whittington hospitals, health trusts, the GP confederation, Hackney Ark and a wide range of local family support organisations.

We are also proud to now be part of the Family Hubs initiative. While our core focus remains on supporting parents and children aged 0–5, this has enabled us to extend certain services to families with children and young people up to the age of 19. This development strengthens our role as a truly inclusive centre for family support, ensuring continuity of care and guidance through every stage of childhood and adolescence.



Looking ahead, we are committed to building on this strong foundation. Our vision is to expand our capacity so that more families can benefit from our services, to deepen our partnerships with health, education and community organisations, and to continue innovating in the ways we support children and families. By remaining responsive to the evolving needs of the community, we aim to ensure that the Lubavitch Children's Centre remains not only a place of care and support, but a beacon of opportunity, resilience and growth for generations to come.

CTeen Chabad Teen Network



CTeen provides teens with the opportunities to apply their energy, enthusiasm and abilities to Jewish education and Social Action and, whilst helping others, to learning about themselves and their true potential. Placing education and social action at the forefront of its activities encourages young people to develop social skills, teamworking and engagement with issues that challenge and inspire them. Our **CTeen College-Prep** programme



also offers a wonderful preparation and transition from secondary school to further education. CTeen members are guaranteed to find a 'home-away-from-home' when they enrol in a university featuring **Chabad on Campus**, which has student centres at 14 institutions across the country.

The Impact Care Awards recognise the contribution young people can make to addressing real social issues, such as through their work with the Homeless Street Angels organisation, helping homeless people in Leeds and preparing food packages for the elderly and isolated.

Jewish Learning Institute (JLI)

JLI is the adult education arm of Chabad Lubavitch. Its mission is to make Jewish learning accessible and personally meaningful to every Jew, regardless of background or affiliation. JLI's insightful curricula utilise cutting-edge pedagogic techniques, embracing the 'multiple intelligence' model and utilising multimedia and an array of approaches to engage, educate, and inspire all kinds of minds in a dynamic Jewish learning experience.

Financial Review

Income and Expenditure

Income in 2024 rose to £6,632,429 from £5,590,169 in 2023. Expenditure, including charitable activities which are the core of the charity's purposes, fell from £7,002,084 in 2023 to £6,696,279, resulting in a shrinking of the net deficit from £1,411,915 to £63,850 in 2024. This is largely explained by both the significant increase income in 2024 and also the higher expenditure figure in 2023 resulting from a property transfer to a separate Wimbledon Chabad charity.

Principal risks

The directors of the corporate Trustee, working with the Council of Management, have identified the major risks to which the charity may be exposed and have taken the necessary steps to monitor and control these to mitigate any impact they may have on the charity in the future. This includes continuing to keep under review and to update where necessary all of the charity's governing and policy documents and financial systems.

The Council of Management receives reports from the Chabad Houses, branch locations and other operational areas regarding the services provided and adapts the supply of services responsively to changes in demand.

The charity is reliant on the continued philanthropic support of donors who so generously contribute a significant proportion of our income.

The Council of Management also reviews the performance of the charity's property portfolio. The properties are included in the balance sheet at their estimated fair value. There is always a risk that property values might go down. To mitigate such risk, properties are formally valued approximately every five years on a rolling basis by professional surveyors and are reviewed annually to ensure that the most recent formal valuation is still reasonable.

Governance

As stated above, the directors of the corporate Trustee, together with the Council of Management, have undertaken a thorough and extensive review of the charity's policies and processes and its satellite branches on matters of internal financial policy, control and risk. Care is taken to ensure that published financial statements comply with statute and accounting standards and the Charities SORP (FRS 102).

The Council oversees the relationship with the external auditor including approval of the audit plan and scope of the audit, annual assessment of the auditor's independence and review of the level of fees payable for non-audit services.

Reserves policy

Reserves are needed to bridge any funding gaps between commitments on educational and outreach activities and receiving resources through voluntary donations and grants. The Trustee has established a target level of reserves to protect the organisation and its charitable programmes by providing time to adjust to changing financial circumstances. It is considered that the minimum level of reserves as at 31 December 2024 should be £750,000, based on a sense of the likely impact on programmes that might be caused by a decline in income or an inability to reduce expenditure in the immediate short term. The unrestricted reserve has passed this value, and the trustees will monitor cash resources to consider investment in an income producing endowment to reduce long term dependence on donations and grants.

Looking to the future

The Board of Directors and Council of Management are constantly looking at ways to develop and enhance the charity's operations and the support it provides to Chabad branches and activities across the country. This includes identifying areas that are currently underserved with a view to opening branches in those locations, whilst also exploring ways to increase the sharing of resources and expertise among branches and affiliated organisations. This will help control overheads whilst providing more practical support to branches and avoiding areas of overlap.

Legal and administrative details

The charity's financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statement below, and comply with applicable laws and the Charities SORP (FRS 102).

This trustee's report has been prepared in accordance with Part 8 of the Charities Act 2011.

Structure, governance and Management Statement of Trustees' responsibilities

Chabad Lubavitch UK is governed by a Declaration of Trust dated 17th October 2018, which superseded a Declaration of Trust dated 21st January 1959 (as amended).

Trustee: The charity is governed by the Board of Directors of the corporate trustee Lubavitch (UK) Limited (Company No. 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit.

The directors of the corporate trustee are:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi S Lew
- Rabbi Y Pink
- Rabbi I H Sufrin
- Mr Stephen Chevern

Organisation: The Board of Directors of the Trustee convene periodically, but a minimum of four times per year.

The Board of Directors is assisted by a Council of Management, which meets approximately every three weeks. Three new members joined the Council of Management during the year, signalling its ongoing commitment to enhance further its members' knowledge and experience and to strengthen its connections to Chabad activities around the country. Members during the year were:

- Rabbi Y Angyalfi
- Rabbi S Arkush
- Rabbi N Dubov
- Rabbi P Efune
- Rabbi M Junik
- Rabbi D Katz
- Rabbi M Korner

- Rabbi S Lew
- Rabbi Y Pink
- Rabbi L Sudak
- Rabbi B Sudak
- Rabbi A M Sufrin
- Rabbi I H Sufrin

The Charities Act 2011 requires the trustees to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees should follow best practices and;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Remuneration of trustees and senior management: The corporate trustee and its directors are not remunerated for their services as trustees of the charity. Where directors of the corporate trustee or members of their families carry out other roles in their capacities as rabbis/teachers (all of which roles existed before they became directors), they are remunerated at appropriate market rates but decisions about remuneration are only made after each has recused himself from the decision-making process, which is undertaken by the Council of Management. This arrangement has been endorsed by way of a Scheme approved by the Charity Commission. Transactions with related parties are disclosed in the notes to the financial statements. Remuneration of other senior personnel is similarly determined by reference to market rates and by the directors of the corporate trustee in conjunction with the Council of Management, subject to taking all necessary steps to avoid any actual or perceived conflicts of interest.

By order and on behalf of the Corporate Trustee, Lubavitch (UK) Limited

Signed:

Rabbi I H Sufrin (Director)

21 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

Opinion

We have audited the financial statements of Chabad Lubavitch UK (the 'Charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31 December 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 Charity 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 trustee's 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement in the trustee's report, the trustee is 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 it determines 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 trustee is responsible for assessing the 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 trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 are set out below.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

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Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

21 October 2025

Goldwins Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHABAD LUBAVITCH UK
Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2024

		Endowment funds	Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	-	3,050,807	-	3,050,807	2,682,537
Grants	3	-	219,707	1,261,773	1,481,480	1,194,318
Charitable activities:	4					
Outreach and Education		-	1,492,889	-	1,492,889	1,453,962
Other trading activities:						
Functions and events	5	-	182,072	-	182,072	33,230
Investment activities	6	-	45,475	-	45,475	73,592
Other income	7	-	379,706	-	379,706	152,530
Total income		<u>-</u>	<u>5,370,656</u>	<u>1,261,773</u>	<u>6,632,429</u>	<u>5,590,169</u>
Expenditure on:						
Raising funds		-	6,609	-	6,609	12,955
Charitable activities:						
Outreach and Education		-	5,430,927	1,258,743	6,689,670	6,989,129
Total expenditure	8	<u>-</u>	<u>5,437,536</u>	<u>1,258,743</u>	<u>6,696,279</u>	<u>7,002,084</u>
Net income / (expenditure) for the year		-	(66,880)	3,030	(63,850)	(1,411,915)
Transfers between funds		-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		-	(66,880)	3,030	(63,850)	(1,411,915)
Gains on revaluation of fixed assets	12	-	-	-	-	-
Net movement in funds		<u>-</u>	<u>(66,880)</u>	<u>3,030</u>	<u>(63,850)</u>	<u>(1,411,915)</u>
Reconciliation of funds:	17					
Total funds brought forward		70,000	18,363,001	(3,030)	18,429,971	19,841,886
Total funds carried forward		<u>70,000</u>	<u>18,296,121</u>	<u>-</u>	<u>18,366,121</u>	<u>18,429,971</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

CHABAD LUBAVITCH UK
Balance sheet
As at 31 December 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets:					
Tangible assets	12		18,394,552		18,782,692
Current assets:					
Debtors	13	315,809		164,106	
Cash at bank and in hand		<u>1,514,187</u>		<u>1,468,152</u>	
		1,829,996		1,632,258	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(1,452,550)</u>		<u>(1,503,663)</u>	
Net current assets			<u>377,446</u>		<u>128,595</u>
Total assets less current liabilities			18,771,998		18,911,287
Creditors: amounts falling due after one year	15		<u>(405,877)</u>		<u>(481,316)</u>
Total net assets			<u>18,366,121</u>		<u>18,429,971</u>
Funds:					
Permanent endowment funds			70,000		70,000
Restricted funds		<u>-</u>		<u>(3,030)</u>	
Total Restricted funds			-		(3,030)
Unrestricted funds:					
Revaluation funds		12,982,071		13,193,162	
General funds		<u>5,314,050</u>		<u>5,169,839</u>	
Total Unrestricted funds			<u>18,296,121</u>		<u>18,363,001</u>
Total funds	17		<u>18,366,121</u>		<u>18,429,971</u>

Approved by the corporate trustee and signed on its behalf by:

Rabbi P Efune
On behalf of Lubavitch (UK) Limited
21 October 2025

Rabbi I H Sufrin
On behalf of Lubavitch (UK) Limited

The attached notes form part of the financial statements.

CHABAD LUBAVITCH UK
Statement of cash flows
For the year ended 31 December 2024

	Note	2024 £	2024	2023 £	2023
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	18		148,194		(802,402)
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		(53,068)		931,967	
Cash provided by / (used in) investing activities			(53,068)		931,967
Cash flows from financing activities:					
Repayments of borrowing		(75,182)		(76,320)	
Cash provided by / (used in) financing activities			(75,182)		(76,320)
Change in cash and cash equivalents in the year			19,944		53,245
Cash and cash equivalents at the beginning of the year			1,395,486		1,342,241
Cash and cash equivalents at the end of the year	19		1,415,430		1,395,486

1 Accounting policies

a) Basis of preparation

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) and the Charities Act 2011.

The charity 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property and improvements	2% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line
Motor vehicles	25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from revaluation reserve to the general reserve.

k) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The Charity finished operating its defined contribution scheme during 2015 on the retirement by the final member and the change in legislation to "Opt-in". The assets of the scheme are held separately from those of the Charity being invested with an insurance company. Any contributions payable for the year are charged in the statement of financial activities.

2 Detailed comparatives for the statement of financial activities

	2023 Endowment £	2023 Unrestricted £	2023 Restricted £	2023 Total £
Income from:				
Donations and legacies	-	2,682,537	-	2,682,537
Grants	-	80,299	1,114,019	1,194,318
 Charitable activities:				
Outreach and Education	-	1,453,962	-	1,453,962
 Other trading activities				
Functions and events	-	33,230	-	33,230
 Investment activities				
	-	73,592	-	73,592
 Other income				
	-	152,530	-	152,530
Total income	-	4,476,150	1,114,019	5,590,169
Expenditure on:				
Raising funds	-	12,955	-	12,955
Charitable activities:	-	5,872,080	1,117,049	6,989,129
Total expenditure	-	5,885,035	1,117,049	7,002,084
Net income / expenditure	-	(1,408,885)	(3,030)	(1,411,915)
 Transfers between funds	-	-	-	-
Net income / (expenditure) before other recognised gains and losses	-	(1,408,885)	(3,030)	(1,411,915)
 Gains / (losses) on revaluation of fixed assets	-	-	-	-
Net movement in funds	-	(1,408,885)	(3,030)	(1,411,915)
Reconciliation of funds:				
Total funds brought forward	70,000	19,771,886	-	19,841,886
Total funds carried forward	70,000	18,363,001	-3,030	18,429,971

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2024

3 Income from donations and legacies

			2024	2023
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations and legacies	3,050,807	-	3,050,807	2,682,537
Grants	219,707	1,261,773	1,481,480	1,194,318
Total income	3,270,514	1,261,773	4,532,287	3,876,855

Included in the grants are £1,030,000.90 received from Hackney Learning Trust (2023: £775,346.82).

4 Income from charitable activities

			2024	2023
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Outreach and Education	1,492,889	-	1,492,889	1,453,962
Total income from charitable activities	1,492,889	-	1,492,889	1,453,962

5 Income from other trading activities

			2024	2023
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Functions and events	182,072	-	182,072	33,230
Total income from other trading activities	182,072	-	182,072	33,230

6 Income from investments

			2024 ¹	2023
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Rental income received	38,625	-	38,625	68,826
Bank interest received	6,850	-	6,850	4,766
	45,475	-	45,475	73,592

7 Other income

			2024 ¹	2023
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Other	229,602	-	229,602	18,417
Insurance claim for premises	150,104	-	150,104	134,113
	379,706	-	379,706	152,530

8 Analysis of expenditure

	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2024 Total	2023 Total
		£	£	£	£	£	£
Outreach and education	Direct	-	-	6,609	2,050,820	2,057,429	1,773,125
Legal & Professional	Staff time	91,091	2,405	-	-	93,496	165,575
Accountancy fees	Staff time	8,111	-	-	-	8,111	48,563
Auditor's remuneration	Direct	-	26,400	-	-	26,400	26,400
Wages	Staff time	62,833	-	-	2,247,932	2,310,765	2,050,254
Other staff costs	Staff time	8,647	-	-	276,708	285,355	304,590
Donations paid	Direct	-	-	-	72,333	72,333	1,017,835
Book & shop supplies	Direct	-	-	-	23,430	23,430	23,619
Telephone	Staff time	23,303	-	-	-	23,303	21,872
Printing, postage & stationery	Staff time	55,527	-	-	-	55,527	68,967
Travel and Motor expenses	Staff time	-	-	-	10,382	10,382	39,624
Premises costs	Staff time	-	-	-	1,104,003	1,104,003	793,518
Computer maintenance	Staff time	75,264	-	-	-	75,264	34,599
Miscellaneous	Staff time	-	-	-	31,959	31,959	4,172
Bank charges	Staff time	29,207	-	-	-	29,207	11,043
Bank interest	Staff time	48,103	-	-	-	48,103	53,299
Depreciation	Staff time	-	-	-	441,210	441,210	456,633
Other: Bad Debt Provision		-	-	-	-	-	108,396
		402,086	28,805	6,609	6,258,779	6,696,279	7,002,084
Support costs		(402,086)	-	-	402,086	-	-
Governance costs		-	(28,805)	-	28,805	-	-
Raising Funds				(6,609)	6,609		
Total expenditure 2024		-	-	-	6,696,279	6,696,279	
Total expenditure 2023		-	-	-	7,002,084		7,002,084

Donations were paid to individuals and other organisations during the year to support education and other charitable activities.

Of the total expenditure, £5,437,536 was unrestricted (2023: £5,885,035) and £1,258,743 was restricted (2023: £1,117,049).

Support and governance costs are allocated based on projected time spent by employees.

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2024	2023
	£	£
Depreciation	437,084	456,633
Auditor's remuneration		
Audit (net)	26,400	25,000

10 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:	2024	2023
	£	£
Salaries and wages	2,121,522	1,884,898
Social security costs	135,185	110,663
Pension contributions	54,058	54,695
	2,310,765	2,050,255

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2024	2023
	No.	No.
£60,000 - £69,999	1	1
£70,000 - £79,999	-	-
£80,000 - £89,999	-	1
£90,000 - £99,999	1	-

The total employee benefits including pension contributions of the key management personnel were £62,833 (2023: £59,548).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024	2023
	No.	No.
Raising funds	-	-
Charitable activities	129	116
Support	9	8
Governance	4	4
	142	128

The charity also acknowledges the support of the volunteers who were used in day-to-day charitable activities and who helped the charity to achieve its charitable objectives.

11 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property £	Leasehold property £	Improvement to premises £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At the start of the year	22,240,202	500,000	2,312,300	1,171,289	260,964	26,484,755
Additions in year	-	-	33,863	2,705	16,500	53,068
Disposals in year	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At the end of the year	<u>22,240,202</u>	<u>500,000</u>	<u>2,346,163</u>	<u>1,173,994</u>	<u>277,464</u>	<u>26,537,823</u>
Depreciation						
At the start of the year	5,464,476	373,138	536,598	1,139,621	188,230	7,702,063
Charge for the year	355,844	-	46,923	16,133	22,308	441,208
Eliminated on disposal	-	-	-	-	-	-
At the end of the year	<u>5,820,320</u>	<u>373,138</u>	<u>583,521</u>	<u>1,155,754</u>	<u>210,538</u>	<u>8,143,271</u>
Net book value						
At the end of the year	<u>16,419,882</u>	<u>126,862</u>	<u>1,762,642</u>	<u>18,240</u>	<u>66,926</u>	<u>18,394,552</u>
At the start of the year	<u>16,775,726</u>	<u>126,862</u>	<u>1,775,702</u>	<u>31,668</u>	<u>72,734</u>	<u>18,782,692</u>

Land with a value of £ 4,770,899 (2023: £4,770,899) is included within freehold property and is not depreciated.

Professional and other trustee valuations were carried out so that freehold property is stated at fair value at the year end.

All of the above assets are used for charitable purposes.

13 Debtors

	2024 £	2023 £
Trade debtors	227,954	144,164
Other debtors	87,855	19,942
	<u>315,809</u>	<u>164,106</u>

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank overdrafts	98,757	72,666
Bank loans	82,364	82,107
Trade creditors	134,765	117,769
Taxation and social security	269,438	222,066
Other creditors	838,426	944,285
Accruals	28,800	64,770
	<u>1,452,550</u>	<u>1,503,663</u>

15 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	405,877	481,316
Other loans	-	-
	<u>405,877</u>	<u>481,316</u>

Total bank loans of £488,241 (2023: £563,423) are secured against the following properties:

135 Clapton Common, London E5 9AE

75a Cowley Rd, Oxford OX4 1HR

168 Shadwell Lane Leeds LS17 8AD

16 Analysis of net assets between funds 2024

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2024 Total funds
			£	£	£
Tangible fixed assets	12,982,071	-	5,412,481	-	18,394,552
Net current assets / (liabilities)	-	70,000	307,446	-	377,446
Long term liabilities	-	-	(405,877)	-	(405,877)
Net assets at the end of the year	12,982,071	70,000	5,314,050	-	18,366,121

Analysis of net assets between funds 2023

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2023 Total funds
			£	£	£
Tangible fixed assets	13,193,162	-	5,589,530	-	18,782,692
Net current assets / (liabilities)	-	70,000	61,625	(3,030)	128,595
Long term liabilities	-	-	(481,316)	-	(481,316)
Net assets at the end of the year	13,193,162	70,000	5,169,839	(3,030)	18,429,971

17 Movements in funds 2024

	Funds at the start of the year	Income	Expenditure	Transfers	Revaluation	Funds at the end of the year
	£	£	£	£	£	£
Unrestricted funds:						
Revaluation fund	13,193,162	-	-	-	(211,091)	12,982,071
General funds	5,169,839	5,370,656	(5,437,536)	-	211,091	5,314,050
Total unrestricted funds	18,363,001	5,370,656	(5,437,536)	-	-	18,296,121
Restricted funds:						
Foundation/ other	-	-	-	-	-	-
Security grants fund	(3,030)	106,927	(103,897)	-	-	-
Children Centre	-	752,222	(752,222)	-	-	-
Nursery	-	336,450	(336,450)	-	-	-
Edgware	-	66,174	(66,174)	-	-	-
Total restricted funds	(3,030)	1,261,773	(1,258,743)	-	-	-
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	18,429,971	6,632,429	(6,696,279)	-	-	18,366,121

Movements in funds 2023

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Revaluation fund	13,808,531	-	(388,828)	(226,541)	-	13,193,162
General funds	5,963,355	4,476,150	(5,496,207)	226,541	-	5,169,839
Total unrestricted funds	19,771,886	4,476,150	(5,885,035)	-	-	18,363,001
Restricted funds:						
Foundation/ other	-	6,025	(6,025)	-	-	-
Security grants fund	-	166,861	(169,891)	-	-	(3,030)
Children Centre	-	652,011	(652,011)	-	-	-
Nursery	-	220,393	(220,393)	-	-	-
Edgware	-	68,729	(68,729)	-	-	-
Total restricted funds	-	1,114,019	(1,117,049)	-	-	(3,030)
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	19,841,886	5,590,169	(7,002,084)	-	-	18,429,971

Restricted Funds:

There were no restricted funds balances to be carried forward at the yearend.

Permanent endowment funds:

L Steinberg endowment- The gift was made to the charity on condition that it is held as a permanent endowment, the income from which is freely available to fund the activities of the charity.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(63,850)	1,411,915
Depreciation	441,208	456,633
(Increase)/ decrease in stock	-	-
(Increase)/ decrease in debtors	(151,703)	227,607
Increase/ (decrease) in creditors	(77,461)	(74,727)
Net cash provided by / (used in) operating activities	148,194	(802,402)

19 Analysis of cash and cash equivalents 2024

	At 1 January 2024 £	Cash flows £	Other changes £	At 31 December 2024 £
Cash at bank and in hand	1,468,152	46,035	-	1,514,187
Overdraft facility (repayable on demand)	(72,666)	(26,091)	-	(98,757)
Total cash and cash equivalents	1,395,486	19,944	-	1,415,430

Analysis of cash and cash equivalents 2023

	At 1 January 2023 £	Cash flows £	Other changes £	At 31 December 2023 £
Cash at bank and in hand	1,423,734	44,418	-	1,468,152
Overdraft facility (repayable on demand)	(81,493)	8,827	-	(72,666)
Total cash and cash equivalents	1,342,241	53,245	-	1,395,486

20 Related party transactions

As well as employing the directors of the corporate trustee, the charity also employed individuals who were related to the directors of the corporate trustee. Salaries paid to these individuals were as follows:

Name	Job role	Relationship	Annual teaching salary £	Loan to Charity £
Family of Rabbi I H Sufrin Rabbi I H Sufrin	Rabbi		16,500	106,500
Family of Rabbi Y Angyalfi Rabbi Y Angyalfi Mrs S Angyalfi	Rabbi	Wife	24,480 24,480	
Family of Rabbi P Efune Rabbi P Efune Mrs P Efune	Rabbi	Wife	50,000.00 30,000.00	35,500
Family of Rabbi S Lew Rabbi S Lew	Rabbi		38,166	

21 Corporate Trustee

The charity is governed by the board of directors of the corporate trustee Lubavitch (UK) Limited (a company limited by guarantee incorporated in England and Wales under company number 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit. The directors of the corporate trustee during the reporting period were:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr S Chevern
- Mr M Rabin (resigned 16 February 2024)
- Rabbi S Lew
- Rabbi Pink

Accounts

CHABAD LUBAVITCH UK
CHARITY REGISTRATION NUMBER 227638

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023



LEGAL AND ADMINISTRATIVE INFORMATION

Address: Lubavitch Foundation
107-115 Stamford Hill
London N16 5RP

Corporate Trustee: Lubavitch (UK) Limited

Central Administration: Rabbi Yitchok Sufrin - Trustee
Elizabeth Heycock – Finance Director (until 19 July 2023)
Katherine Eaton – Finance Director (from 19 July 2023)
Jon Benjamin – Chief Operating officer

Independent Auditors: Goldwins
75 Maygrove Road
West Hampstead
London NW6 2EG

Principal Bankers: Barclays plc
Level 12
1 Churchill Place
London E14 5PH

Report of the Trustee for the Year Ending 31 December 2023

Objectives and Activities

Chabad Lubavitch UK's charitable objects are the advancement and promotion of the Orthodox Jewish religion by providing facilities for the study of and instruction in Jewish religious literature; by the advancement of public education including education in the Orthodox Jewish faith and the provision of ancillary recreational facilities; by the provision of school rooms, meeting rooms and ancillary facilities for persons of the Jewish faith; and by the provision of financial assistance to persons of the Jewish faith who are in need to enable them to observe and perform the rites and practices of the Jewish religion.

The ethos of the Lubavitch movement remains at the core of our activities when delivering these objectives by unconditionally providing a welcoming open door to Jewish people from all walks of life, by making Judaism accessible and relevant by empowering individuals to develop, associate, identify and participate, by caring for and supporting the welfare of Jewish people and communities with devotion and affection no matter the time, place or need and by educating a generation of dedicated and skilled community leaders who live by the words, "Love your fellow as yourself".

Whether through Chabad Houses, activities on university campuses, events throughout the year across the country, educational programmes or through our network of Early Years provision and schools, the charity engages with thousands of beneficiaries of all ages and backgrounds. And in times of personal crisis, our Shluchim (local emissaries) are on hand to support those suffering isolation, loss, bereavement and other challenges.

Public Benefit

The Trustee and its officers have regard to Section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit in delivering the charity's various activities and consider that the accessible approach when reaching out to beneficiaries across the community reflects and fulfils the charity's legal obligation to ensure that there is a public benefit in everything that the charity strives to do.

Safeguarding

The charity takes the safeguarding of young people and other vulnerable persons extremely seriously and has, since 2015, worked closely with the NSPCC to develop and implement a comprehensive safeguarding policy and ensure that all relevant persons receive frequent periodic training appropriate to their roles. The policy is kept under constant review, with a major review in consultation with the NSPCC completed in 2023. We also ran a full day training seminar for all our affiliates to ensure that they are all fully aware of their legal responsibilities. Procedures have been established to implement the policy. New employees are fully vetted and DBS checked and periodic training and vetting checks take place thereafter.

Our thanks

We would like to thank all of our partners, supporters and friends for their continuing encouragement and assistance. We are grateful to all those who have given so much time and commitment to the advancement of the charity and its objectives.

We would also like to thank the professional team and the many members of our community who, due to the outgoing nature of our philosophy, so generously volunteer their time, and we would like to extend our heartfelt appreciation for their loyalty and ongoing support for the charity. As team members, they have often put aside personal needs and worked together to realise some of the charity's key aspirations

and targets. Without the personal efforts of everyone on the team, none of our many achievements would have been possible.

Achievements and performance: Summary of some of our key activities in 2023

Chabad Houses, present and future

Our network of Chabad houses, in towns and cities across the country, serve communities and university campuses and play a vital role in bringing Jewish knowledge and practice to thousands of beneficiaries every year through a range of innovative programmes and activities. These include daily and weekly worship, Sabbath and Festivals services and celebrations, educational programmes and providing practical and pastoral support to communities. Our Shluchim and volunteers rally to the needs of communities and individuals isolated and apart from family and friends, particularly during the Festivals. Pesach, Rosh Hashanah and Chanukah 'in a Box' deliveries saw thousands of festive food, educational and spiritual items distributed across the country so that no one needed to miss out on observing and celebrating these important spiritual events.



Rabbi Brackman preparing the Chanukiah, Oxford

As well as those that are formally part of the Chabad Lubavitch UK, we work closely with independent Chabad Centres under the umbrella of the international Chabad Lubavitch movement, providing professional and other support and guidance, and coordinating activities with our colleagues. We are indebted to all of our Shluchim and their families for their selfless commitment to the needs of those they serve, on Jewish festivals, Shabbatot and throughout the year.



Holiday Camps

Our always popular camps continue to attract children in significant numbers. Over 2,000 children attended camps with Chabad's Camp Gan Israel Network around the UK. Many of the places were heavily subsidised, enabling children to enjoy a meaningful summer experience regardless of their parents' ability to pay and irrespective of their family's level of religious observance.

This included many children normally eligible for free school meals during term time, meaning that they received a meal that they might not otherwise have received at home during the holidays.

Lubavitch Children's Centre

The Lubavitch Children's Center in Hackney is an award winning facility, having received the prestigious Gold Award from the Mayor of London's Healthy Early Years London (HEYL) programme, which supports and recognises achievements in child health, well-being, and development in early years settings.

The Centre is a purpose built, state of the art facility in Stamford Hill, London, providing culturally sensitive child and adult services in a comfortable, welcoming and multi-lingual environment. The Centre offers a one-stop shop of services for children from infancy, and their parents and carers with a range of programmes to promote the physical and emotional



wellbeing of families, support for new parents and practical activities and courses such as first aid, health advice, household budgeting, healthy eating and exercise classes. The Centre ensures to support the community with all its immediate needs, including physical (such as immunisations during the measles and polio alerts) and spiritual (Festival/Holiday) programmes.

The nursery provides high quality day-care in a warm and nurturing environment for ages 0 - 4 years old, and care for children with additional needs when necessary. As well as feeding children's minds, the Centre feeds their bodies with Kosher, hot, balanced three-course meals packed with fruit and vegetables.

Some 100 children and family members make use of the Centre on an average weekday. Annually we support over 3,000 families. We are supported in our efforts by Hackney Education and we have strong



partnerships with Local Authorities in our area, with the Homerton and Whittington hospitals and with health trusts, the GP confederation, Hackney Ark and local voluntary family support organisations.

We provide some 60 families every week with vouchers for fruit and vegetables and have been awarded grants to support 80 families with vouchers to purchase food for the Jewish holidays. Help is also provided to families to obtain financial support to cover energy bills as well as a council tax reduction.

CTeen Chabad Teen Network



CTeen provides teens with the opportunities to apply their energy, enthusiasm and abilities to Jewish education and Social Action and, whilst helping others, to learning about themselves and their true potential. Placing education and social action at the forefront of its activities encourages young people to develop social skills, teamworking and engagement with issues that challenge and inspire them. Our **CTeen College-Prep** programme also offers a wonderful preparation and transition from secondary school to further education. CTeen members are guaranteed to find a 'home-away-from-home' when they enrol in a university featuring **Chabad on Campus**, which has student centres at 14 institutions across the country.

The Impact Care Awards recognise the contribution young people can make to addressing real social issues, such as through their work with the Homeless Street Angels organisation, helping homeless people in Leeds and preparing food packages for the elderly and isolated.



Cteen Israel Tour

CTeen's first Summer Israel Tour programme was launched in 2022 under the aegis of UJIA, attracting more than 40 participants across the girls' and boys' tours. The tours criss-crossed the length and breadth of Israel, meeting people from all walks of life and hearing about the rewards and challenges of living in Eretz Yisroel.



The Kotel, Yad Vashem, Masada, Eilat and the Dead Sea, Mitzpe Ramon, Netanya, a Bedouin camp, donkey and camel riding all featured and the participants from across the spectrum of Jewish observance enjoyed an atmosphere of harmony and respect from which they all learnt so much.

Jewish Learning Institute (JLI)

JLI is the adult education arm of Chabad Lubavitch. Its mission is to make Jewish learning accessible and personally meaningful to every Jew, regardless of background or affiliation. JLI's insightful curricula utilise cutting-edge pedagogic techniques, embracing the 'multiple intelligence' model and utilising multimedia and an array of approaches to engage, educate, and inspire all kinds of minds in a dynamic Jewish learning experience.

Financial Review

Income and Expenditure

Income in 2023 fell to £5,590,169 from £5,707,830 in 2022. Expenses, including charitable activities which are the core of the charity's purposes, rose from £5,733,794 in 2022 to £7,002,084, resulting in an increase in the net deficit for 2023 of 1,411,915 compared to £25,964 in 2022. The largest component of the change in expenditure was in Donations Paid, which amounted to £1,017,835 in 2023, compared with only £7,711 in 2022, and this is principally attributable to the transfer of the property funded and used by Chabad in Wimbledon to a separate Wimbledon Chabad charity. Nevertheless, the value of the charity's property holding remains at over £22,000,000.

Principal risks

The directors of the corporate Trustee, working with the Council of Management, have identified the major risks to which the charity may be exposed and have taken the necessary steps to monitor and control these to mitigate any impact they may have on the charity in the future. This includes continuing to keep under review and to update where necessary all of the charity's governing and policy documents and financial systems.

The Council of Management receives reports from the Chabad Houses, branch locations and other operational areas regarding the services provided and adapts the supply of services responsively to changes in demand.

The charity is reliant on the continued philanthropic support of donors who so generously contribute a significant proportion of our income.

The Council of Management also reviews the performance of the charity's property portfolio. The properties are included in the balance sheet at their estimated fair value. There is always a risk that property values might go down. To mitigate such risk, properties are formally valued approximately every five years on a rolling basis by professional surveyors and are reviewed annually to ensure that the most recent formal valuation is still reasonable.

Governance

As stated above, the directors of the corporate Trustee, together with the Council of Management, have undertaken a thorough and extensive review of the charity's policies and processes and its satellite branches on matters of internal financial policy, control and risk. Care is taken to ensure that published financial statements comply with statute and accounting standards and the Charities SORP (FRS 102).

The Council oversees the relationship with the external auditor including approval of the audit plan and scope of the audit, annual assessment of the auditor's independence and review of the level of fees payable for non-audit services.

Reserves policy

Reserves are needed to bridge any funding gaps between commitments on educational and outreach activities and receiving resources through voluntary donations and grants. The Trustee has established a target level of reserves to protect the organisation and its charitable programmes by providing time to adjust to changing financial circumstances. It is considered that the minimum level of reserves as at 31 December 2023 would be £750,000 based on a sense of the likely impact on programmes that might be caused by a decline in income or an inability to reduce expenditure in the immediate short term. The

unrestricted reserve has passed this value, and the trustees will monitor cash resources to consider investment in an income producing endowment to reduce long term dependence on donations and grants.

Looking to the future

The Board of Directors and Council of Management are constantly looking at ways to develop and enhance the charity's operations and the support it provides to Chabad branches and activities across the country. This includes identifying areas that are currently underserved with a view to opening branches in those locations, whilst also exploring ways to increase the sharing of resources and expertise among branches and affiliated organisations. This will help control overheads whilst providing more practical support to branches and avoiding areas of overlap.

Legal and administrative details

The charity's financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statement below, and comply with applicable laws and the Charities SORP (FRS 102).

This trustee's report has been prepared in accordance with Part 8 of the Charities Act 2011.

Structure, governance and Management Statement of Trustees' responsibilities

Chabad Lubavitch UK is governed by a Declaration of Trust dated 17th October 2018, which superseded a Declaration of Trust dated 21st January 1959 (as amended).

Trustee: The charity is governed by the Board of Directors of the corporate trustee Lubavitch (UK) Limited (Company No. 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit.

The directors of the corporate trustee are:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi S Lew
- Rabbi Y Pink
- Rabbi I H Sufrin
- Mr Stephen Chevern

Organisation: The Board of Directors of the Trustee convene periodically, but a minimum of four times per year.

The Board of Directors is assisted by a Council of Management, which meets approximately every three weeks. Three new members joined the Council of Management during the year, signalling its ongoing commitment to enhance further its members' knowledge and experience and to strengthen its connections to Chabad activities around the country. Members during the year were:

- Rabbi Y Angyalfi
- Rabbi S Arkush
- Rabbi N Dubov
- Rabbi P Efune

- Rabbi M Junik
- Rabbi D Katz
- Rabbi M Korner
- Rabbi S Lew
- Rabbi Y Pink
- Rabbi L Sudak
- Rabbi B Sudak
- Rabbi A M Sufrin
- Rabbi I H Sufrin

The Charities Act 2011 requires the trustees to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees should follow best practices and;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Remuneration of trustees and senior management: The corporate trustee and its directors are not remunerated for their services as trustees of the charity. Where directors of the corporate trustee or members of their families carry out other roles in their capacities as rabbis/teachers (all of which roles existed before they became directors), they are remunerated at appropriate market rates but decisions about remuneration are only made after each has recused himself from the decision-making process, which is undertaken by the Council of Management. This arrangement has been endorsed by way of a Scheme approved by the Charity Commission. Transactions with related parties are disclosed in the notes to the financial statements. Remuneration of other senior personnel is similarly determined by reference to market rates and by the directors of the corporate trustee in conjunction with the Council of Management, subject to taking all necessary steps to avoid any actual or perceived conflicts of interest.

By order and on behalf of the Corporate Trustee, Lubavitch (UK) Limited

Signed:

Rabbi I H Sufrin (Director)

8 October 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

Opinion

We have audited the financial statements of Chabad Lubavitch UK (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 Charity 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 trustee's 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement in the trustee's report, the trustee is 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 it determines 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 trustee is responsible for assessing the 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 trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 are set out below.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

8 October 2024

Goldwins Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHABAD LUBAVITCH UK
Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2023

		Endowment funds	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	-	2,682,537	-	2,682,537	3,245,488
Grants	3	-	80,299	1,114,019	1,194,318	1,036,891
Charitable activities:	4					
Outreach and Education		-	1,453,962	-	1,453,962	1,115,155
Other trading activities:						
Functions and events	5	-	33,230	-	33,230	40,708
Investment activities	6	-	73,592	-	73,592	45,248
Other income	7	-	152,530	-	152,530	224,340
Total income		<u>-</u>	<u>4,476,150</u>	<u>1,114,019</u>	<u>5,590,169</u>	<u>5,707,830</u>
Expenditure on:						
Raising funds		-	12,955	-	12,955	13,256
Charitable activities:						
Outreach and Education		-	5,872,080	1,117,049	6,989,129	5,720,538
Total expenditure	8	<u>-</u>	<u>5,885,035</u>	<u>1,117,049</u>	<u>7,002,084</u>	<u>5,733,794</u>
Net (expenditure) for the year		-	(1,408,885)	(3,030)	(1,411,915)	(25,964)
Transfers between funds		-	-	-	-	-
Net expenditure before other recognised gains and losses		-	(1,408,885)	(3,030)	(1,411,915)	(25,964)
Gains on revaluation of fixed assets	12	-	-	-	-	539,761
Net movement in funds		<u>-</u>	<u>(1,408,885)</u>	<u>(3,030)</u>	<u>(1,411,915)</u>	<u>513,797</u>
Reconciliation of funds:	17					
Total funds brought forward		70,000	19,771,886	-	19,841,886	19,328,089
Total funds carried forward		<u>70,000</u>	<u>18,363,001</u>	<u>(3,030)</u>	<u>18,429,971</u>	<u>19,841,886</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

CHABAD LUBAVITCH UK
Balance sheet
As at 31 December 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets:					
Tangible assets	12		18,782,692		20,171,292
Current assets:					
Debtors	13	164,106		391,713	
Cash at bank and in hand		<u>1,468,152</u>		<u>1,423,734</u>	
		1,632,258		1,815,447	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(1,503,663)</u>		<u>(1,585,782)</u>	
Net current assets			<u>128,595</u>		<u>229,665</u>
Total assets less current liabilities			18,911,287		20,400,957
Creditors: amounts falling due after one year	15		<u>(481,316)</u>		<u>(559,071)</u>
Total net assets			<u>18,429,971</u>		<u>19,841,886</u>
Funds:					
Permanent endowment funds			70,000		70,000
Restricted funds		<u>(3,030)</u>		<u>-</u>	
Total Restricted funds			(3,030)		-
Unrestricted funds:					
Revaluation funds		13,193,162		13,808,531	
General funds		<u>5,169,839</u>		<u>5,963,355</u>	
Total Unrestricted funds			<u>18,363,001</u>		<u>19,771,886</u>
Total funds	17		<u>18,429,971</u>		<u>19,841,886</u>

Approved by the corporate trustee and signed on its behalf by:

Rabbi P Efuné
On behalf of Lubavitch (UK) Limited

Rabbi I H Sufrin
On behalf of Lubavitch (UK) Limited

8 October 2024

The attached notes form part of the financial statements.

CHABAD LUBAVITCH UK
Statement of cash flows
For the year ended 31 December 2023

	Note	2023 £	2023	2022 £	2022
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	18		(802,402)		372,261
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		931,967		(144,817)	
Cash provided by / (used in) investing activities			931,967		(144,817)
Cash flows from financing activities:					
Repayments of borrowing		(76,320)		(433,537)	
Cash provided by / (used in) financing activities			(76,320)		(433,537)
Change in cash and cash equivalents in the year			53,245		(206,093)
Cash and cash equivalents at the beginning of the year			1,342,241		1,548,334
Cash and cash equivalents at the end of the year	19		1,395,486		1,342,241

1 Accounting policies

a) Basis of preparation

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 2019) - (Charities SORP FRS 102) and the Charities Act 2011.

The charity 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property and improvements	2% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line
Motor vehicles	25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from revaluation reserve to the general reserve.

k) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The Charity finished operating its defined contribution scheme during 2015 on the retirement by the final member and the change in legislation to "Opt-in". The assets of the scheme are held separately from those of the Charity being invested with an insurance company. Any contributions payable for the year are charged in the statement of financial activities.

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2023

2 Detailed comparatives for the statement of financial activities

	2022 Endowment £	2022 Unrestricted £	2022 Restricted £	2022 Total £
Income from:				
Donations and legacies	-	3,236,888	8,600	3,245,488
Grants	-	39,484	997,407	1,036,891
 Charitable activities:				
Outreach and Education	-	994,442	120,713	1,115,155
 Other trading activities				
Functions and events	-	40,708	-	40,708
 Investment activities				
	-	45,248	-	45,248
 Other income				
	-	224,340	-	224,340
Total income	-	4,581,110	1,126,720	5,707,830
Expenditure on:				
Raising funds	-	13,256	-	13,256
Charitable activities:	-	4,579,624	1,140,914	5,720,538
Total expenditure	-	4,592,880	1,140,914	5,733,794
Net income / expenditure	-	(11,770)	(14,194)	(25,964)
 Transfers between funds	-	-	-	-
Net income / (expenditure) before other recognised gains and losses	-	(11,770)	(14,194)	(25,964)
 Gains / (losses) on revaluation of fixed assets	-	539,761	-	539,761
Net movement in funds	-	527,991	(14,194)	513,797
Reconciliation of funds:				
Total funds brought forward	70,000	19,243,895	14,194	19,328,089
Total funds carried forward	70,000	19,771,886	-	19,841,886

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2023

3 Income from donations and legacies

			2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations and legacies	2,682,537	-	2,682,537	3,245,488
Grants	80,299	1,114,019	1,194,318	1,036,891
Total income	2,762,836	1,114,019	3,876,855	4,282,379

Included in the grants are £775,347 received from Hackney Learning Trust (2022: £837,475).

4 Income from charitable activities

			2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Outreach and Education	1,453,962	-	1,453,962	1,115,155
Total income from charitable activities	1,453,962	-	1,453,962	1,115,155

5 Income from other trading activities

			2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Functions and events	33,230	-	33,230	40,708
Total income from other trading activities	33,230	-	33,230	40,708

6 Income from investments

			2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Rental income received	68,826	-	68,826	45,248
Bank interest received	4,766	-	4,766	-
Total income from investments	73,592	-	73,592	45,248

7 Other income

			2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Other income	18,417	-	18,417	-
Insurance claim for premises	134,113	-	134,113	224,340
Total other income	152,530	-	152,530	224,340

CHABAD LUBAVITCH UK
Notes to the financial statements
For the year ended 31 December 2023

8 Analysis of expenditure

	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2023 Total	2022 Total
		£	£	£	£	£	£
Outreach and education	Direct	-	-	12,955	1,760,170	1,773,125	1,735,955
Legal & Professional	Staff time	164,213	1,362	-	-	165,575	58,737
Accountancy fees	Staff time	48,563	-	-	-	48,563	18,849
Auditor's remuneration	Direct	-	26,400	-	-	26,400	28,800
Wages	Staff time	59,548	-	-	1,990,706	2,050,254	1,948,122
Other staff costs	Staff time	5,460	-	-	299,130	304,590	143,593
Donations paid	Direct	-	-	-	1,017,835	1,017,835	7,711
Book & shop supplies	Direct	-	-	-	23,619	23,619	21,606
Telephone	Staff time	21,872	-	-	-	21,872	28,040
Printing, postage & stationery	Staff time	68,967	-	-	-	68,967	75,527
Advertising	Staff time	-	-	-	-	-	8,541
Travel and Motor expenses	Staff time	-	-	-	39,624	39,624	125,132
Premises costs	Staff time	-	-	-	793,518	793,518	944,882
Computer maintenance	Staff time	34,599	-	-	-	34,599	28,888
Miscellaneous	Staff time	-	-	-	4,172	4,172	3,155
Bank charges	Staff time	11,043	-	-	-	11,043	34,255
Bank interest	Staff time	53,299	-	-	-	53,299	42,147
Depreciation	Staff time	-	-	-	456,633	456,633	479,854
Bad Debt Provision	Staff time	-	-	-	108,396	108,396	-
		467,564	27,762	12,955	6,493,803	7,002,084	5,733,794
Support costs		(467,564)	-	-	467,564	-	-
Governance costs		-	(27,762)	-	27,762	-	-
Raising Funds		-	-	-	-	-	-
Total expenditure 2023		-	-	12,955	6,989,129	7,002,084	
Total expenditure 2022		-	-	13,256	5,720,538		5,733,794

Donations were paid to individuals and other organisations during the year to support education and other charitable activities.

Of the total expenditure, £5,885,035 was unrestricted (2022: £4,592,880) and £1,117,049 was restricted (2022: £1,140,914).

Support and governance costs are allocated based on projected time spent by employees.

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2023	2022
	£	£
Depreciation	456,633	479,854
Auditor's remuneration		
Audit (net)	25,000	23,500

10 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:	2023	2022
	£	£
Salaries and wages	1,884,898	1,803,054
Social security costs	110,662	87,322
Pension contributions	54,694	57,746
	2,050,254	1,948,122

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-

The total employee benefits including pension contributions of the key management personnel were £59,548 (2022: £82,279).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023	2022
	No.	No.
Raising funds	-	-
Charitable activities	116	118
Support	8	8
Governance	4	4
	128	130

The charity also acknowledges the support of the volunteers who were used in day-to-day charitable activities and who helped the charity to achieve its charitable objectives.

11 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property £	Leasehold property £	Improvement to premises £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At the start of the year	23,172,182	500,000	2,631,750	1,157,747	254,464	27,716,143
Additions in year	-	-	47,448	13,542	6,500	67,490
Disposals in year	(931,980)	-	(366,898)	-	-	(1,298,878)
Revaluation	-	-	-	-	-	-
At the end of the year	22,240,202	500,000	2,312,300	1,171,289	260,964	26,484,755
Depreciation						
At the start of the year	5,366,373	373,138	524,695	1,116,660	163,985	7,544,851
Charge for the year	355,843	-	53,584	22,961	24,245	456,633
Eliminated on disposal	(257,740)	-	(41,681)	-	-	(299,421)
At the end of the year	5,464,476	373,138	536,598	1,139,621	188,230	7,702,063
Net book value						
At the end of the year	16,775,726	126,862	1,775,702	31,668	72,734	18,782,692
At the start of the year	17,805,809	126,862	2,107,055	41,087	90,479	20,171,292

Land with a value of £ 4,448,040 (2022: £4,770,899) is included within freehold property and is not depreciated.

Professional and other trustee valuations were carried out so that freehold property is stated at fair value at the year end.

All of the above assets are used for charitable purposes.

13 Debtors

	2023 £	2022 £
Trade debtors	144,164	203,304
Other debtors	19,942	188,409
	<u>164,106</u>	<u>391,713</u>

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank overdrafts	72,666	81,493
Bank loans	82,107	80,672
Trade creditors	117,769	75,334
Taxation and social security	222,066	223,629
Other creditors	944,285	1,014,162
Accruals	64,770	110,492
	<u>1,503,663</u>	<u>1,585,782</u>

15 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	481,316	559,071
	<u>481,316</u>	<u>559,071</u>

Total bank loans of £563,423 (2022: £639,743) are secured against the following properties:

135 Clapton Common, London E5 9AE

75a Cowley Rd, Oxford OX4 1HR

168 Shadwell Lane Leeds LS17 8AD

16 Analysis of net assets between funds 2023

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2023 Total funds
			£	£	£
Tangible fixed assets	13,193,162	-	5,589,530	-	18,782,692
Net current assets / (liabilities)	-	70,000	61,625	(3,030)	128,595
Long term liabilities	-	-	(481,316)	-	(481,316)
Net assets at the end of the year	13,193,162	70,000	5,169,839	(3,030)	18,429,971

Analysis of net assets between funds 2022

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2022 Total funds
			£	£	£
Tangible fixed assets	13,808,531	-	6,362,761	-	20,171,292
Net current assets / (liabilities)	-	70,000	159,665	-	229,665
Long term liabilities	-	-	(559,071)	-	(559,071)
Net assets at the end of the year	13,808,531	70,000	5,963,355	-	19,841,886

17 Movements in funds 2023

	Funds at the start of the year	Income	Expenditure	Transfers	Revaluation	Funds at the end of the year
	£	£	£	£	£	£
Unrestricted funds:						
Revaluation fund	13,808,531	-	(388,828)	(226,541)	-	13,193,162
General funds	5,963,355	4,476,150	(5,496,207)	226,541	-	5,169,839
Total unrestricted funds	19,771,886	4,476,150	(5,885,035)	-	-	18,363,001
Restricted funds:						
Foundation/ other	-	6,025	(6,025)	-	-	-
Security grants fund	-	166,861	(169,891)	-	-	(3,030)
Children Centre	-	652,011	(652,011)	-	-	-
Nursery	-	220,393	(220,393)	-	-	-
Edgware	-	68,729	(68,729)	-	-	-
Total restricted funds	-	1,114,019	(1,117,049)	-	-	(3,030)
Endowment funds	70,000	-	-	-	-	70,000
Total funds	19,841,886	5,590,169	(7,002,084)	-	-	18,429,971

Movements in funds 2022

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Revaluation fund	13,500,712	-	-	(231,942)	539,761	13,808,531
General funds	5,743,183	4,581,110	(4,592,880)	231,942	-	5,963,355
Total unrestricted funds	19,243,895	4,581,110	(4,592,880)	-	539,761	19,771,886
Restricted funds:						
Foundation	14,194	8,600	(22,794)	-	-	-
Security grants fund		159,931	(159,931)	-	-	-
Children Centre	-	613,661	(613,661)	-	-	-
Nursery	-	223,815	(223,815)	-	-	-
Edgware	-	120,713	(120,713)	-	-	-
Total restricted funds	14,194	1,126,720	(1,140,914)	-	-	-
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	19,328,089	5,707,830	(5,733,794)	-	539,761	19,841,886

Restricted Funds:

There were no restricted funds balances to be carried forward at the yearend.

Endowment funds:

L Steinberg endowment- The gift was made to the charity on condition that it is held as a permanent endowment, the income from which is freely available to fund the activities of the charity.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(1,411,915)	(25,964)
Depreciation	456,633	479,854
(Increase)/ decrease in debtors	227,607	(3,150)
Increase/ (decrease) in creditors	(74,727)	(78,479)
Net cash provided by / (used in) operating activities	(802,402)	372,261

19 Analysis of cash and cash equivalents 2023	At 1 January 2023 £	Cash flows £	Other changes £	At 31 December 2023 £
Cash at bank and in hand	1,423,734	44,418	-	1,468,152
Overdraft facility (repayable on demand)	(81,493)	8,827	-	(72,666)
Total cash and cash equivalents	1,342,241	53,245	-	1,395,486

Analysis of cash and cash equivalents 2022	At 1 January 2022 £	Cash flows £	Other changes £	At 31 December 2022 £
Cash at bank and in hand	1,628,266	(204,532)	-	1,423,734
Overdraft facility (repayable on demand)	(79,932)	(1,561)	-	(81,493)
Total cash and cash equivalents	1,548,334	(206,093)	-	1,342,241

20 Related party transactions

As well as employing the directors of the corporate trustee, the charity also employed individuals who were related to the directors of the corporate trustee. Salaries paid to these individuals were as follows:

Name	Job role	Relationship	Annual teaching salary £	Loan to Charity £
Family of Rabbi I H Sufrin Rabbi I H Sufrin	Rabbi		6,000	97,500
Family of Rabbi Y Angyalfi Rabbi Y Angyalfi Mrs S Angyalfi	Rabbi	Wife	24,148 24,148	
Family of Rabbi P Efune Rabbi P Efune	Rabbi		37,500	-

21 Corporate Trustee

The charity is governed by the board of directors of the corporate trustee Lubavitch (UK) Limited (a company limited by guarantee incorporated in England and Wales under company number 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit. The directors of the corporate trustee during the reporting period were:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr S Chevern
- Mr M Rabin

Accounts

CHABAD LUBAVITCH UK
CHARITY REGISTRATION NUMBER 227638

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022



LEGAL AND ADMINISTRATIVE INFORMATION

Address: Lubavitch Foundation
107-115 Stamford Hill
London N16 5RP

Corporate Trustee: Lubavitch (UK) Limited

Central Administration: Rabbi Yitchok Sufrin - Trustee
Elizabeth Heycock – Finance Director (until 19 July 2023)
Katherine Eaton – Finance Director (from 19 July 2023)
Jon Benjamin – Chief Operating officer

Independent Auditors: Goldwins
75 Maygrove Road
West Hampstead
London NW6 2EG

Principal Bankers: Barclays plc
Level 12
1 Churchill Place
London E14 5PH

Report of the Trustee for the Year Ending 31 December 2022

Objectives and Activities

Chabad Lubavitch UK's charitable objects are the advancement and promotion of the Orthodox Jewish religion by providing facilities for the study of and instruction in Jewish religious literature; by the advancement of public education including education in the Orthodox Jewish faith and the provision of ancillary recreational facilities; by the provision of school rooms, meeting rooms and ancillary facilities for persons of the Jewish faith; and by the provision of financial assistance to persons of the Jewish faith who are in need to enable them to observe and perform the rites and practices of the Jewish religion.

The ethos of the Lubavitch movement remains at the core of our activities when delivering these objectives by unconditionally providing a welcoming open door to Jewish people from all walks of life, by making Judaism accessible and relevant by empowering individuals to develop, associate, identify and participate, by caring for and supporting the welfare of Jewish people and communities with devotion and affection no matter the time, place or need and by educating a generation of dedicated and skilled community leaders who live by the words, "Love your fellow as yourself".

Whether through Chabad Houses, activities on university campuses, events throughout the year across the country, educational programmes or through our network of Early Years provision and schools, the charity engages with thousands of beneficiaries of all ages and backgrounds. And in times of personal crisis, our Shluchim (local emissaries) are on hand to support those suffering isolation, loss, bereavement and other challenges.

Public Benefit

The Trustee and its officers have regard to Section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit in delivering the charity's various activities and consider that the accessible approach when reaching out to beneficiaries across the community reflects and fulfils the charity's legal obligation to ensure that there is a public benefit in everything that the charity strives to do.

Safeguarding

The charity takes the safeguarding of young people and other vulnerable persons extremely seriously and has, since 2015, worked closely with the NSPCC to develop and implement a comprehensive safeguarding policy and ensure that all relevant persons receive frequent periodic training appropriate to their roles. The policy is kept under constant review, with a major review in consultation with the NSPCC starting in the autumn of 2022. Procedures have been established to ensure that all are fully aware of and implement the policy and understand their responsibilities. New employees are fully vetted and DBS checked and periodic training and vetting checks take place thereafter.

Our thanks

We would like to thank all of our partners, supporters and friends for their continuing encouragement and assistance. We are grateful to all those who have given so much time and commitment to the advancement of the charity and its objectives.

We would also like to thank the professional team and the many members of our community who, due to the outgoing nature of our philosophy, so generously volunteer their time, and we would like to extend our heartfelt appreciation for their loyalty and ongoing support for the charity. As team members, they have often put aside personal needs and worked together to realise some of the charity's key aspirations

and targets. Without the personal efforts of everyone on the team, none of our many achievements would have been possible.

Achievements and performance: Summary of some of our key activities in 2022

Chabad Houses, present and future

Our network of Chabad houses in towns and cities across the country, serve communities and university campuses and play a vital role in bringing Jewish knowledge and practice to thousands of beneficiaries every year through a range of innovative programmes and activities. These include daily and weekly worship, Sabbath and Festivals services and celebrations, educational programmes and providing practical and pastoral support to communities. Our Shluchim and volunteers rally to the needs of communities and individuals isolated and apart from family and friends, particularly during the Festivals. Pesach, Rosh Hashanah and Chanukah 'in a Box' deliveries saw thousands of festive food, educational and spiritual items distributed across the country so that no one needed to miss out on observing and celebrating these important spiritual events.



Rabbi Brackman preparing the Chanukiah, Oxford

As well as those that are formally part of the Chabad Lubavitch UK, we work closely with independent Chabad Centres under the umbrella of the international Chabad Lubavitch movement, providing professional and other support and guidance, and coordinating activities with our colleagues. We are indebted to all of our Shluchim and their families for their selfless commitment to the needs of those they serve, on Jewish festivals, Shabbatot and throughout the year.



Holiday Camps

Our always popular camps continue to attract children in significant numbers. Nearly 2,000 children attended camps with Chabad's Camp Gan Israel Network around the UK. Many of the places were heavily subsidised, enabling children to enjoy a meaningful summer experience regardless of their parents' ability to pay and irrespective of their family's level of religious observance.

This included many children normally eligible for free school meals during term time, meaning that they received a meal that they might not otherwise have received at home during the holidays.

Lubavitch Children's Centre

In recognition of its work in 2022 and in previous years, the Lubavitch Children's Center in Hackney received a prestigious Gold Award from the Mayor of London's Healthy Early Years London (HEYL) programme, which supports and recognises achievements in child health, well-being, and development in early years settings. It is the first early childhood centre in Hackney to receive a Gold Award, out of 44 in the Borough, and one of only 38 out of 2,274 across the whole of London.



The Centre is a purpose built, state of the art facility in Stamford Hill, London, providing culturally sensitive child and adult services in a comfortable, welcoming and multi-lingual environment. The Centre offers a one-stop shop of services for children from infancy, and their parents and carers with a range of programmes to promote the physical and emotional wellbeing of families, support for new parents and practical activities and courses such as first aid, health advice, household budgeting, healthy eating and exercise classes. The Centre ensures to support the community with all its immediate needs, including physical (such as immunisations during the measles and polio alerts) and spiritual (Festival/Holiday) programmes.

The nursery provides high quality day-care in a warm and nurturing environment for ages 0 - 4 years old, and care for children with additional needs when necessary. As well as feeding children's minds, the Centre feeds their bodies with Kosher, hot, balanced three-course meals packed with fruit and vegetables.

Some 100 children and family members make use of the Centre on an average weekday. Annually we support over 3,000 families. We are supported in our efforts by Hackney Education and we have strong partnerships with Local Authorities in our area, with the Homerton and Whittington hospitals and with health trusts, the GP confederation, Hackney Ark and local voluntary family support organisations.

We provide some 60 families every week with vouchers for fruit and vegetables and have been awarded

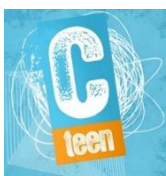


grants to support 80 families with vouchers to purchase food for the Jewish holidays. Help is also provided to families to obtain financial support to cover energy bills as well as a council tax reduction.

Most recently we have started supporting a few refugees from the Ukraine.

As times moves on, we continue to do our best to support the community through whatever struggles they are facing.

CTeen Chabad Teen Network



CTeen provides teens with the opportunities to apply their energy, enthusiasm and abilities to Jewish education and Social Action and, whilst helping others, to learning about themselves and their true potential. Placing education and social action at the forefront of its activities encourages young people to develop social skills, teamworking and engagement with issues that challenge and inspire them. Our **CTeen College-Prep** programme also offers a wonderful preparation and transition from secondary school to further education. CTTeen members are guaranteed to find a 'home-away-from-home' when they enrol in a university featuring **Chabad on Campus**, which has student centres at 14 institutions across the country.

The Impact Care Awards recognise the contribution young people can make to addressing real social issues, such as through their work with the Homeless Street Angels



organisation, helping homeless people in Leeds and preparing food packages for the elderly and isolated.

Cteen Israel Tour

CTeen's first Summer Israel Tour programme was launched in 2022 under the aegis of UJIA, attracting more than 40 participants across the girls' and boys' tours. The tours criss-crossed the length and breadth of Israel, meeting people from all walks of life and hearing about the rewards and challenges of living in Eretz Yisroel.



The Kotel, Yad Vashem, Masada, Eilat and the Dead Sea, Mitzpe Ramon, Netanya, a Bedouin camp, donkey and camel riding all featured and the participants from across the spectrum of Jewish observance enjoyed an atmosphere of harmony and respect from which they all learnt so much.

Jewish Learning Institute (JLI)

JLI is the adult education arm of Chabad Lubavitch. Its mission is to make Jewish learning accessible and personally meaningful to every Jew, regardless of background or affiliation. JLI's insightful curricula utilise cutting-edge pedagogic techniques, embracing the 'multiple intelligence' model and utilising multimedia and an array of approaches to engage, educate, and inspire all kinds of minds in a dynamic Jewish learning experience.

Financial Review

Income and Expenditure

Income in 2022 reduced to £5,707,830 from £6,017,466 in 2021. During 2022 overall costs increased by around 5% to £5,733,794 from £5,549,709 in 2021. This resulted in a net deficit for the year of £25,964 compared to a surplus the year before of £467,757. Included in the accounts is a depreciation of £479,584.

Principal risks

The directors of the corporate Trustee, working with the Council of Management, have identified the major risks to which the charity may be exposed and have taken the necessary steps to monitor and control these to mitigate any impact they may have on the charity in the future. This includes continuing to keep under review and to update where necessary all of the charity's governing and policy documents and financial systems.

The Council of Management receives reports from the Chabad Houses, branch locations and other operational areas regarding the services provided and adapts the supply of services responsively to changes in demand.

The charity is reliant on the continued philanthropic support of donors who so generously contribute a significant proportion of our income.

The Council of Management also reviews the performance of the charity's property portfolio. The properties are included in the balance sheet at their estimated fair value. There is always a risk that property values might go down. To mitigate such risk, properties are formally valued approximately every five years on a rolling basis by professional surveyors and are reviewed annually to ensure that the most recent formal valuation is still reasonable.

Governance

As stated above, the directors of the corporate Trustee, together with the Council of Management, have undertaken a thorough and extensive review of the charity's policies and processes and its satellite branches on matters of internal financial policy, control and risk. Care is taken to ensure that published financial statements comply with statute and accounting standards and the Charities SORP (FRS 102).

The Council oversees the relationship with the external auditor including approval of the audit plan and scope of the audit, annual assessment of the auditor's independence and review of the level of fees payable for non-audit services.

Reserves policy

Reserves are needed to bridge any funding gaps between commitments on educational and outreach activities and receiving resources through voluntary donations and grants. The Trustee has established a target level of reserves to protect the organisation and its charitable programmes by providing time to adjust to changing financial circumstances. It is considered that the minimum level of reserves as at 31 December 2022 would be £750,000 based on a sense of the likely impact on programmes that might be caused by a decline in income or an inability to reduce expenditure in the immediate short term. The unrestricted reserve has passed this value, and the trustees will monitor cash resources to consider investment in an income producing endowment to reduce long term dependence on donations and grants.

Looking to the future

The Board of Directors and Council of Management are constantly looking at ways to develop and enhance the charity's operations and the support it provides to Chabad branches and activities across the country. This includes identifying areas that are currently underserved with a view to opening branches in those locations, whilst also exploring ways to increase the sharing of resources and expertise among branches and affiliated organisations. This will help control overheads whilst providing more practical support to branches and avoiding areas of overlap.

Legal and administrative details

The charity's financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statement below, and comply with applicable laws and the Charities SORP (FRS 102).

This trustee's report has been prepared in accordance with Part 8 of the Charities Act 2011.

Structure, governance and Management Statement of Trustees' responsibilities

Chabad Lubavitch UK is governed by a Declaration of Trust dated 17th October 2018, which superseded a Declaration of Trust dated 21st January 1959 (as amended).

Trustee: The charity is governed by the Board of Directors of the corporate trustee Lubavitch (UK) Limited (Company No. 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit.

The directors of the corporate trustee are:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr Michael Rabin
- Mr Stephen Chevern

Organisation: The Board of Directors of the Trustee convene periodically, but a minimum of four times per year.

The Board of Directors is assisted by a Council of Management, which meets approximately every three weeks. Three new members joined the Council of Management during the year, signalling its ongoing commitment to enhance further its members' knowledge and experience and to strengthen its connections to Chabad activities around the country. Members during the year were:

- Rabbi Y Angyalfi
- Rabbi S Arkush
- Rabbi N Dubov
- Rabbi P Efune
- Rabbi M Junik
- Rabbi D Katz
- Rabbi M Korner

- Rabbi S Lew
- Rabbi Y Pink
- Rabbi L Sudak
- Rabbi B Sudak
- Rabbi A M Sufrin
- Rabbi I H Sufrin

The Charities Act 2011 requires the trustees to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees should follow best practices and;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Remuneration of trustees and senior management: The corporate trustee and its directors are not remunerated for their services as trustees of the charity. Where directors of the corporate trustee or members of their families carry out other roles in their capacities as rabbis/teachers (all of which roles existed before they became directors), they are remunerated at appropriate market rates but decisions about remuneration are only made after each has recused himself from the decision-making process, which is undertaken by the Council of Management. This arrangement has been endorsed by way of a Scheme approved by the Charity Commission. Transactions with related parties are disclosed in the notes to the financial statements. Remuneration of other senior personnel is similarly determined by reference to market rates and by the directors of the corporate trustee in conjunction with the Council of Management, subject to taking all necessary steps to avoid any actual or perceived conflicts of interest.

By order and on behalf of the Corporate Trustee, Lubavitch (UK) Limited

Rabbi I H Sufrin (Director)

16 October 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

Opinion

We have audited the financial statements of Chabad Lubavitch UK (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 Charity 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement in the trustee's report, the trustee is 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 it determines 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 trustee is responsible for assessing the 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 trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 are set out below.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

16 October 2023

Goldwins Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHABAD LUBAVITCH UK
Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2022

		Endowment funds	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	-	3,236,888	8,600	3,245,488	3,331,542
Grants	3	-	39,484	997,407	1,036,891	1,226,550
Charitable activities:	4					
Outreach and Education		-	994,442	120,713	1,115,155	1,125,849
Other trading activities:						
Functions and events	5	-	40,708	-	40,708	39,011
Investment activities	6	-	45,248	-	45,248	43,069
Other income	7	-	224,340	-	224,340	251,445
Total income		<u>-</u>	<u>4,581,110</u>	<u>1,126,720</u>	<u>5,707,830</u>	<u>6,017,466</u>
Expenditure on:						
Raising funds		-	13,256	-	13,256	52,499
Charitable activities:						
Outreach and Education		-	4,579,624	1,140,914	5,720,538	5,497,210
Total expenditure	8	<u>-</u>	<u>4,592,880</u>	<u>1,140,914</u>	<u>5,733,794</u>	<u>5,549,709</u>
Net income / (expenditure) for the year		-	(11,770)	(14,194)	(25,964)	467,757
Transfers between funds		-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		-	(11,770)	(14,194)	(25,964)	467,757
Gains on revaluation of fixed assets	12	-	539,761	-	539,761	3,705,804
Net movement in funds		-	527,991	(14,194)	513,797	4,173,561
Reconciliation of funds:	17					
Total funds brought forward		70,000	19,243,895	14,194	19,328,089	15,154,528
Total funds carried forward		<u>70,000</u>	<u>19,771,886</u>	<u>-</u>	<u>19,841,886</u>	<u>19,328,089</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

CHABAD LUBAVITCH UK
Balance sheet
As at 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets:					
Tangible assets	12		20,171,292		19,966,568
Current assets:					
Debtors	13	391,713		388,563	
Cash at bank and in hand		<u>1,423,734</u>		<u>1,628,266</u>	
		1,815,447		2,016,829	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(1,585,782)</u>		<u>(1,673,831)</u>	
Net current assets			<u>229,665</u>		<u>342,998</u>
Total assets less current liabilities			20,400,957		20,309,566
Creditors: amounts falling due after one year	15		<u>(559,071)</u>		<u>(981,477)</u>
Total net assets			<u><u>19,841,886</u></u>		<u><u>19,328,089</u></u>
Funds:					
Permanent endowment funds			70,000		70,000
Restricted funds		<u>-</u>		<u>14,194</u>	
Total Restricted funds			-		14,194
Unrestricted funds:					
Revaluation funds		13,808,531		13,500,712	
General funds		<u>5,963,355</u>		<u>5,743,183</u>	
Total Unrestricted funds			<u>19,771,886</u>		<u>19,243,895</u>
Total funds	17		<u><u>19,841,886</u></u>		<u><u>19,328,089</u></u>

Approved by the corporate trustee and signed on its behalf by:

Rabbi P Efuné
On behalf of Lubavitch (UK) Limited

Rabbi I H Sufrin
On behalf of Lubavitch (UK) Limited

16 October 2023

The attached notes form part of the financial statements.

CHABAD LUBAVITCH UK
Statement of cash flows
For the year ended 31 December 2022

	Note	2022 £	2022	2021	2021 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	18		372,261		622,027
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		(144,817)		88,985	
Cash provided by / (used in) investing activities			(144,817)		88,985
Cash flows from financing activities:					
Repayments of borrowing		(433,537)		25,709	
Cash provided by / (used in) financing activities			(433,537)		25,709
Change in cash and cash equivalents in the year			(206,093)		736,721
Cash and cash equivalents at the beginning of the year			1,548,334		811,613
Cash and cash equivalents at the end of the year	19		1,342,241		1,548,334

1 Accounting policies

a) Basis of preparation

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) and the Charities Act 2011.

The charity 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property and improvements	2% straight line
Fixtures and fittings	20% reducing balance
Computer equipment	20% reducing balance
Motor vehicles	25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from revaluation reserve to the general reserve.

k) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The Charity finished operating its defined contribution scheme during 2015 on the retirement by the final member and the change in legislation to "Opt-in". The assets of the scheme are held separately from those of the Charity being invested with an insurance company. Any contributions payable for the year are charged in the statement of financial activities.

2 Detailed comparatives for the statement of financial activities

	2021 Endowment £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Income from:				
Donations and legacies	-	3,301,493	30,049	3,331,542
Grants	-	226,797	999,753	1,226,550
 Charitable activities:				
Outreach and Education	-	1,000,761	125,088	1,125,849
 Other trading activities				
Functions and events	-	39,011	-	39,011
 Investment activities				
	-	43,069	-	43,069
 Other income				
	-	251,445	-	251,445
Total income	-	4,862,576	1,154,890	6,017,466
Expenditure on:				
Raising funds	-	52,499	-	52,499
Charitable activities:	-	4,356,514	1,140,696	5,497,210
Total expenditure	-	4,409,013	1,140,696	5,549,709
Net income / expenditure	-	453,563	14,194	467,757
 Transfers between funds	-	-	-	-
Net income / (expenditure) before other recognised gains and losses	-	453,563	14,194	467,757
 Gains / (losses) on revaluation of fixed assets	-	3,705,804	-	3,705,804
Net movement in funds	-	4,159,367	14,194	4,173,561
Reconciliation of funds:				
Total funds brought forward	70,000	15,084,528	-	15,154,528
Total funds carried forward	70,000	19,243,895	14,194	19,328,089

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2022

3 Income from donations and legacies

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations and legacies	3,236,888	8,600	3,245,488	3,331,542
Grants	39,484	997,407	1,036,891	1,226,550
Total income	3,276,372	1,006,007	4,282,379	4,558,092

Included in the grants are £837,475 received from Hackney Learning Trust (2021: £ 703,080).

4 Income from charitable activities

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Outreach and Education	994,442	120,713	1,115,155	1,125,849
Total income from charitable activities	994,442	120,713	1,115,155	1,125,849

5 Income from other trading activities

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Functions and events	40,708	-	40,708	39,011
Total income from other trading activities	40,708	-	40,708	39,011

6 Income from investments

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Rental income received	45,248	-	45,248	43,069
Total income from investments	45,248	-	45,248	43,069

7 Other income

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Coronavirus job retention scheme	-	-	-	251,445
Insurance claim for premises	224,340	-	224,340	-
Total other income	224,340	-	224,340	251,445

CHABAD LUBAVITCH UK
Notes to the financial statements
For the year ended 31 December 2022

8 Analysis of expenditure

	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2022 Total	2021 Total
		£	£	£	£	£	£
Outreach and education	Direct	-	-	13,256	1,722,699	1,735,955	1,380,032
Legal & Professional	Direct	56,274	2,463	-	-	58,737	71,109
Accountancy fees	Direct	18,849	-	-	-	18,849	4,820
Auditor's remuneration	Direct	-	28,800	-	-	28,800	24,000
Wages	Staff time	82,279	30,707	-	1,835,136	1,948,122	2,135,225
Other staff costs	Direct	-	-	-	143,593	143,593	73,084
Donations paid	Direct	-	-	-	7,711	7,711	230,564
Book & shop supplies	Direct	-	-	-	21,606	21,606	26,571
Telephone	Staff time	28,040	-	-	-	28,040	34,011
Printing, postage & stationery	Staff time	75,527	-	-	-	75,527	62,377
Advertising	Staff time	-	-	-	8,541	8,541	5,728
Travel and Motor expenses	Staff time	-	-	-	125,132	125,132	120,920
Premises costs	Staff time	-	-	-	944,882	944,882	851,043
Computer maintenance	Staff time	28,888	-	-	-	28,888	57,476
Miscellaneous	Staff time	-	-	-	3,155	3,155	2,701
Bank charges	Staff time	34,255	-	-	-	34,255	23,049
Bank interest	Staff time	42,147	-	-	-	42,147	43,331
Depreciation	Staff time	-	-	-	479,854	479,854	403,668
		366,259	61,970	13,256	5,292,309	5,733,794	5,549,709
Support costs		(366,259)	-	-	366,259	-	-
Governance costs		-	(61,970)	-	61,970	-	-
Total expenditure 2022		-	-	13,256	5,720,538	5,733,794	
Total expenditure 2021		311,550	27,158	52,499	5,158,502		5,549,709

Donations were paid to individuals and other organisations during the year to support education and other charitable activities.

Of the total expenditure, £4,592,880 was unrestricted (2021: £4,409,013) and £1,140,914 was restricted (2021: £1,140,696).

Support and governance costs are allocated based on projected time spent by employees.

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2022	2021
	£	£
Depreciation	479,854	403,668
Auditor's remuneration		
Audit (net)	23,500	22,000

10 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:	2022	2021
	£	£
Salaries and wages	1,803,054	2,014,106
Social security costs	87,322	69,147
Pension contributions	57,746	51,972
	1,948,122	2,135,225

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

The total employee benefits including pension contributions of the key management personnel were £82,279 (2021: £122,281).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022	2021
	No.	No.
Raising funds	-	2
Charitable activities	118	136
Support	8	8
Governance	4	3
	130	149

The charity also acknowledges the support of the volunteers who were used in day-to-day charitable activities and who helped the charity to achieve its charitable objectives.

11 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property £	Leasehold property £	Improvement to premises £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At the start of the year	22,632,421	500,000	2,588,105	1,121,782	189,257	27,031,565
Additions in year	-	-	43,645	35,965	65,207	144,817
Disposals in year	-	-	-	-	-	-
Revaluation	539,761	-	-	-	-	539,761
At the end of the year	23,172,182	500,000	2,631,750	1,157,747	254,464	27,716,143
Depreciation						
At the start of the year	5,014,005	349,329	472,060	1,095,778	133,825	7,064,997
Charge for the year	352,368	23,809	52,635	20,882	30,160	479,854
Eliminated on disposal	-	-	-	-	-	-
At the end of the year	5,366,373	373,138	524,695	1,116,660	163,985	7,544,851
Net book value						
At the end of the year	17,805,809	126,862	2,107,055	41,087	90,479	20,171,292
At the start of the year	17,618,416	150,671	2,116,045	26,004	55,432	19,966,568

Land with a value of £ 4,770,899 (2021: £4,770,899) is included within freehold property and is not depreciated.

Professional and other trustee valuations were carried out so that freehold property is stated at fair value at the year end.

All of the above assets are used for charitable purposes.

13 Debtors

	2022 £	2021 £
Trade debtors	203,304	178,862
Other debtors	188,409	209,701
	<u>391,713</u>	<u>388,563</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	81,493	79,932
Bank loans	80,672	90,242
Trade creditors	75,334	142,088
Taxation and social security	223,629	215,100
Other creditors	1,014,162	1,049,494
Accruals	110,492	96,975
	<u>1,585,782</u>	<u>1,673,831</u>

15 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	559,071	981,477
	<u>559,071</u>	<u>981,477</u>

Total bank loans of £639,743 (2021: £1,107,179) are secured against the following properties:

135 Clapton Common, London E5 9AE

75a Cowley Rd, Oxford OX4 1HR

168 Shadwell Lane Leeds LS17 8AD

16 Analysis of net assets between funds 2022

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2022 Total funds
			£	£	£
Tangible fixed assets	13,808,531	-	6,362,761	-	20,171,292
Net current assets / (liabilities)	-	70,000	159,665	-	229,665
Long term liabilities	-	-	(559,071)	-	(559,071)
Net assets at the end of the year	13,808,531	70,000	5,963,355	-	19,841,886

Analysis of net assets between funds 2021

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2020 Total funds
			£	£	£
Tangible fixed assets	13,500,712	-	6,451,662	14,194	19,966,568
Net current assets	-	70,000	272,998	-	342,998
Long term liabilities	-	-	(981,477)	-	(981,477)
Net assets at the end of the year	13,500,712	70,000	5,743,183	14,194	19,328,089

17 Movements in funds 2022

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Revaluation fund	13,500,712	-	-	(231,942)	539,761	13,808,531
General funds	5,743,183	4,581,110	(4,592,880)	231,942	-	5,963,355
Total unrestricted funds	19,243,895	4,581,110	(4,592,880)	-	539,761	19,771,886
Restricted funds:						
Foundation	14,194	8,600	(22,794)	-	-	-
Security grants fund	-	159,931	(159,931)	-	-	-
Children Centre	-	613,661	(613,661)	-	-	-
Nursery	-	223,815	(223,815)	-	-	-
Edgware	-	120,713	(120,713)	-	-	-
Total restricted funds	14,194	1,126,720	(1,140,914)	-	-	-
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	19,328,089	5,707,830	(5,733,794)	-	539,761	19,841,886

Movements in funds 2021

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Unrestricted revaluation reserve	10,026,850	-	-	(231,942)	3,705,804	13,500,712
General funds	5,057,678	4,862,576	(4,409,013)	231,942	-	5,743,183
Total unrestricted funds	15,084,528	4,862,576	(4,409,013)	-	3,705,804	19,243,895
Restricted funds:						
Foundation		30,049	(15,855)			14,194
Security grants fund		296,673	(296,673)			-
Children Centre	-	571,140	(571,140)	-	-	-
Nursery	-	131,940	(131,940)	-	-	-
Edgware	-	125,088	(125,088)	-	-	-
Total restricted funds	-	1,154,890	(1,140,696)	-	-	14,194
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	15,154,528	6,017,466	(5,549,709)	-	3,705,804	19,328,089

Restricted Funds:

There were no restricted funds balances to be carried forward at the yearend.

Permanent endowment funds:

L Steinberg endowment- The gift was made to the charity on condition that it is held as a permanent endowment, the income from which is freely available to fund the activities of the charity.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(25,964)	467,757
Depreciation	479,854	403,668
(Increase)/ decrease in debtors	(3,150)	(32,936)
Increase/ (decrease) in creditors	(78,479)	(216,462)
Net cash provided by / (used in) operating activities	372,261	622,027

19 Analysis of cash and cash equivalents

	At 1 January 2022 £	Cash flows £	Other changes £	At 31 December 2022 £
Cash at bank and in hand	1,628,266	(204,532)	-	1,423,734
Overdraft facility (repayable on demand)	(79,932)	(1,561)	-	(81,493)
Total cash and cash equivalents	1,548,334	(206,093)	-	1,342,241

Analysis of cash and cash equivalents 2021

	At 1 January 2021 £	Cash flows £	Other changes £	At 31 December 2021 £
Cash at bank and in hand	955,090	673,176	-	1,628,266
Overdraft facility (repayable on demand)	(143,477)	63,545	-	(79,932)
Total cash and cash equivalents	811,613	736,721	-	1,548,334

20 Related party transactions

As well as employing the directors of the corporate trustee, the charity also employed individuals who were related to the directors of the corporate trustee. Salaries paid to these individuals were as follows:

Name	Job role	Relationship	Annual teaching salary £	Loan to Charity £
Family of Rabbi I H Sufrin Rabbi I H Sufrin	Rabbi		4,800	97,000
Family of Rabbi Y Angyalfi Rabbi Y Angyalfi Mrs S Angyalfi	Rabbi	Wife	24,148 24,148	
Family of Rabbi P Efuno Rabbi P Efuno	Rabbi		-	27,500

21 Corporate Trustee

The charity is governed by the board of directors of the corporate trustee Lubavitch (UK) Limited (a company limited by guarantee incorporated in England and Wales under company number 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit. The directors of the corporate trustee during the reporting period were:

- Rabbi Y Angyalfi
- Rabbi P Efuno
- Rabbi I H Sufrin
- Mr S Chevern
- Mr M Rabin

Accounts

CHABAD LUBAVITCH UK
CHARITY REGISTRATION NUMBER 227638

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021



LEGAL AND ADMINISTRATIVE INFORMATION

Address: Lubavitch Foundation
107-115 Stamford Hill
London N16 5RP

Corporate Trustee: Lubavitch (UK) Limited

Central Administration: Rabbi Isaac Hirsh Sufrin - Trustee
Elizabeth Heycock – Finance Director
Jon Benjamin – Chief Operating officer

Independent Auditors: Goldwins
75 Maygrove Road
West Hampstead
London NW6 2EG

Principal Bankers: Barclays plc
Level 12
1 Churchill Place
London E14 5PH

Report of the Trustee for the Year Ending 31 December 2021

Objectives and Activities

Chabad Lubavitch UK's charitable objects are the advancement and promotion of the Orthodox Jewish religion by providing facilities for the study of and instruction in Jewish religious literature; by the advancement of public education including education in the Orthodox Jewish faith and the provision of ancillary recreational facilities; by the provision of school rooms, meeting rooms and ancillary facilities for persons of the Jewish faith; and by the provision of financial assistance to persons of the Jewish faith who are in need to enable them to observe and perform the rites and practices of the Jewish religion.

We keep the ethos of the Lubavitch movement at the core of our activities when delivering these objectives by unconditionally providing a welcoming open door to Jewish people from all walks of life, by making Judaism accessible and relevant by empowering individuals to develop, associate, identify and participate, by caring for and supporting the welfare of Jewish people and communities with devotion and affection no matter the time, place or need and by educating a generation of dedicated and skilled community leaders who live by the words, "Love your fellow as yourself".

Whether through Chabad Houses, activities on university campuses, events throughout the year across the country, educational programmes or through our network of schools, the charity engages with thousands of beneficiaries of all ages and backgrounds. And in times of personal crisis, our Shluchim (local emissaries) are on hand to support those suffering loss, bereavement or other challenges.

Public Benefit

The Trustee and its officers have regard to Section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit in delivering the charity's various activities and consider that the 'open door' approach when reaching out to beneficiaries across the community reflects and fulfils the charity's legal obligation to ensure that there is a public benefit in everything that the charity strives to do.

Safeguarding

The charity takes the safeguarding of young people and other vulnerable persons extremely seriously and has, since 2015, worked closely with the NSPCC to develop and implement a comprehensive safeguarding policy and ensure that all relevant persons receive frequent periodic training appropriate to their roles. The policy is kept under constant review, in consultation with the NSPCC, and procedures have been established to ensure that all are fully aware of and implement the policy and understand their responsibilities. New employees are fully vetted and DBS checked and periodic update check then take place subsequently.

Our thanks

We would like to thank all of our partners, supporters and friends for their continuing encouragement and assistance. We are grateful to all those who have given so much time and commitment to the advancement of the charity and its objectives.

We would also like to thank the professional team and the many members of our community who, due to the outgoing nature of our philosophy, so generously volunteer their time, and we would like to extend our heartfelt appreciation for their loyalty and ongoing support for the charity. As team members, they have often put aside personal needs and worked together to realise some of the charity's key aspirations

and targets. Without the personal efforts that all on the team have made, none of our many achievements would have been possible.

Achievements and performance: Summary of some of our key activities in 2021

Chabad Houses, present and future

Our network of Chabad houses in towns and cities across the country, serve communities and university campuses and play a vital role in bringing Jewish knowledge and practice to thousands of beneficiaries every year through a range of innovative programmes and activities. With the effects of the Covid pandemic still evident in 2021, many of these activities continued online, often reaching even greater numbers of participants as a result, and our Shluchim and volunteers also rallied to the needs of communities and individuals isolated and apart from family and friends, particularly during the Festivals. Pesach, Rosh Hashanah and Chanukah 'in a Box' saw thousands of festive food, educational and spiritual items distributed across the country so that no one needed to miss out on observing and celebrating these important spiritual events.

We continued to seek and implement advice about safe Covid practices to protect those engaging in our activities and to educate and explain about the pandemic and the vaccine response, using Rabbinic and Medical Experts.

As well as those that are formally part of the Chabad Lubavitch UK, we work closely with independent Chabad Centres under the umbrella of the international Chabad Lubavitch movement, providing professional and other support and guidance, and coordinating activities with our colleagues. We are indebted to all of our Shluchim and their families for their selfless commitment to the needs of those they serve, on Jewish festivals, Shabbatot and throughout the year.



LECTURES AT THE OXFORD UNIVERSITY CHABAD SOCIETY
2021-2

Some of the speakers at Oxford Chabad
in the last year.



Holiday Camps

As lockdown restrictions eased over the summer, children and adults were eager to welcome the return of our always popular school holiday camps. Huge efforts were made to ensure the Covid safety of our activities and bubbles took on a new meaning for the children!

Over 1,900 Children attended camps with Chabad's Camp Gan Israel Network around the UK. Many of the places were heavily subsidised, enabling children to enjoy a meaningful summer experience regardless of their parents' ability to pay and irrespective of their family's level of religious observance.

This included many children normally eligible for free school meals during term time, meaning that they received a meal that they might not otherwise have received at home during the holidays.

Lubavitch Children's Centre

The Centre is a purpose built, state of the art facility in Stamford Hill, London, providing culturally sensitive child and adult services in a comfortable, welcoming and multi-lingual environment. The Centre offers a one-stop shop of services for children from infancy, and their parents and carers with a range of programmes to promote the physical and emotional wellbeing of families, support for new parents and practical activities and courses such as first aid, health advice, household budgeting, healthy eating and exercise classes. The Centre ensures to support the community with all its immediate needs, including physical (such as immunisations during the measles outbreak) and spiritual (Festival/Holiday Programmes).



The nursery provides high quality day-care in a warm and nurturing environment for ages 0 - 4 years old, and care for children with additional needs when necessary. As well as feeding children's minds, the Centre feeds their bodies with Kosher, hot, balanced three-course meals packed with fruit and vegetables.

Some 100 children and family members make use of the Centre on an average weekday. Annually we support over 3,000 families. We are supported in our efforts by Hackney Education and we have strong partnerships with Local Authorities in our area, with the Homerton and Whittington hospitals and with health trusts, the GP confederation, Hackney Ark and local voluntary family support organisations.

Restarted services are now almost back to our pre-Covid schedule. We have been able to continue providing 60 families every week with vouchers for fruit and vegetables and have managed to obtain grants to support 80 families with vouchers to purchase food for the Jewish holidays.

We have also been able to support many families to obtain financial support to cover energy bills as well as a council tax reduction.

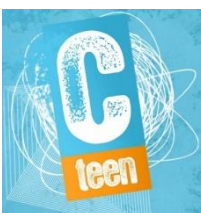


Most recently we have started supporting a few refugees from the Ukraine.

Another project we are heavily involved with is our immunisation clinic that is currently very busy due to the current polio scare.

As times move on, we continue to do our best to support the community through whatever struggles they are facing.

CTeen Chabad Teen Network



CTeen aims to provide a nurturing environment where teens can learn about themselves through giving to others, identify with individuals who share the same faith, and be part of a group that focuses on building core values and stresses positive character development. CTeen delivers a comprehensive curriculum based on a three-part framework; Educational, Humanitarian and Social.

Educational

CTeen places education at the forefront, ensuring every programme is designed to enhance the development of important life skills.

Humanitarian

CTeen helps teens build compassion toward others by giving back to the community through various humanitarian projects, helping those in need in wider society. Local events include volunteering with other charities such as soup kitchens for those in need and charities helping children suffering from a variety of illnesses. Many participants have helped distributing festive foods and other items to help the vulnerable and isolated celebrate Festivals during the pandemic.



Leeds CTeens packing festival gift boxes.

Social

CTeen builds social skills through positive affiliations, ensuring personal growth in a society where working together is the key to advancement.

CTeen College-Prep

CTeen also offers a wonderful preparation and transition from secondary school to further education. CTeen members are guaranteed to find a 'home-away-from-home' when they enrol in a university featuring **Chabad on Campus**, which has student centres at 14 institutions across the country.

Jewish Learning Institute (JLI)

JLI is the adult education arm of Chabad Lubavitch. Its mission is to make Jewish learning accessible and personally meaningful to every Jew, regardless of background or affiliation. JLI's insightful curricula utilise cutting-edge pedagogic techniques, embracing the 'multiple intelligence' model and utilising multimedia and an array of approaches to engage, educate, and inspire all kinds of minds in a dynamic Jewish learning experience.

Financial Review

Income and Expenditure

Income in 2021 increased to £6,017,466 from £5,331,903 in 2020. During 2021 overall costs increased to £5,549,709 from £5,409,139 in 2020. This resulted in a net surplus for the year of £467,757 compared to a deficit the year before of £77,236. Included in the accounts is depreciation of £403,668 (2020 £479,807).

Principal risks

The directors of the corporate Trustee, working with the Council of Management, have identified the major risks to which the charity may be exposed and have taken the necessary steps to monitor and control these to mitigate any impact they may have on the charity in the future. This includes continuing to keep under review and to update where necessary all of the charity's governing and policy documents and financial systems.

The Council of Management receives reports from the Chabad Houses, branch locations and other operational areas regarding the services provided and adapts the supply of services responsively to changes in demand.

The charity is reliant on the continued philanthropic support of donors who gift approximately 55% of current income.

The Council of Management also reviews the performance of the charity's property portfolio. The properties are included in the balance sheet at their estimated market value. There is always a risk that property values might go down. To mitigate such risk, properties are formally valued approximately every five years by professional surveyors and are reviewed annually to ensure that the most recent formal valuation is still reasonable.

Governance

As stated above, the directors of the corporate Trustee, together with the Council of Management, have undertaken a thorough and extensive review of the charity's policies and processes and its satellite branches on matters of internal financial policy, control and risk. Care is taken to ensure that published financial statements comply with statute and accounting standards and the Charities SORP.

The Council oversees the relationship with the external auditor including approval of the audit plan and scope of the audit, an annual assessment of the auditor's independence and review of the level of fees payable for non-audit services.

Reserves policy

Reserves are needed to bridge any funding gaps between commitments to educational and outreach activities and receiving resources through voluntary donations and grants. The Trustee has established a target level of reserves to protect the organisation and its charitable programmes by providing time to adjust to changing financial circumstances. It is considered that the minimum level of reserves as at 31 December 2021 would be £750,000 based on a sense of the likely impact on programmes that might be caused by a decline in income or an inability to reduce expenditure in the immediate short term. The unrestricted reserve has passed this value, and the trustees will monitor cash resources to consider investment in an income producing endowment to reduce long term dependence on donations and grants.

Looking to the future

The Board of Directors and Council of Management are constantly looking at ways to develop and enhance the charity's operations and the support it provides to Chabad branches and activities across the country. This includes identifying areas that are currently underserved with a view to opening branches in those locations, whilst also exploring ways to increase the sharing of resources and expertise among branches and affiliated organisations. This will help control overheads whilst providing more practical support to branches and avoiding areas of overlap.

Legal and administrative details

The charity's financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statement below, and comply with applicable laws and the Charities SORP (FRS 102).

This trustees' report has been prepared in accordance with Part 8 of the Charities Act 2011.

Structure, governance and Management Statement of Trustees' responsibilities

Chabad Lubavitch UK is governed by a Declaration of Trust dated 17th October 2018, which superseded a Declaration of Trust dated 21st January 1959 (as amended).

Trustee: The charity is governed by the Board of Directors of the corporate trustee Lubavitch (UK) Limited (Company No. 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit.

The directors of the corporate trustee are:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr Michael Rabin
- Mr Stephen Chevern

Organisation: The Board of Directors of the Trustee convene periodically, but a minimum of four times per year.

The Board of Directors is assisted by a Council of Management, which meets approximately every three weeks. Three new members joined the Council of Management during the year, signalling its ongoing commitment to enhance further its members' knowledge and experience and to strengthen its connections to Chabad activities around the country. Members during the year were:

- Rabbi Y Angyalfi
- Rabbi S Arkush
- Rabbi N Dubov
- Rabbi P Efune
- Rabbi M Junik
- Rabbi D Katz
- Rabbi M Korner

- Rabbi S Lew
- Rabbi Y Pink
- Rabbi L Sudak
- Rabbi B Sudak
- Rabbi A M Sufrin
- Rabbi I H Sufrin

The Charities Act 2011 requires the trustees to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees should follow best practices and;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Remuneration of trustees and senior management: The corporate trustee and its directors are not remunerated for their services as trustees of the charity. Where directors of the corporate trustee or members of their families carry out other roles in their capacities as rabbis/teachers (all of which roles existed before they became directors), they are remunerated at appropriate market rates but decisions about remuneration are only made after each has recused himself from the decision-making process, which is undertaken by the Council of Management. This arrangement has been endorsed by way of a Scheme approved by the Charity Commission. Transactions with related parties are disclosed in the notes to the financial statements. Remuneration of other senior personnel is similarly determined by reference to market rates and by the directors of the corporate trustee in conjunction with the Council of Management, subject to taking all necessary steps to avoid any actual or perceived conflicts of interest.

By order and on behalf of the Corporate Trustee, Lubavitch (UK) Limited

Signed:

Rabbi I H Sufrin (Director)

24 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

Opinion

We have audited the financial statements of Chabad Lubavitch UK (the 'Charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 Charity 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement in the trustee's report, the trustee is 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 it determines 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 trustee is responsible for assessing the 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 trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 are set out below.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

24 October 2022

Goldwins Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHABAD LUBAVITCH UK
Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2021

					2021	2020
		Endowment funds	Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	-	3,301,493	30,049	3,331,542	2,827,755
Grants	3	-	226,797	999,753	1,226,550	1,201,331
Charitable activities:	4					
Outreach and Education		-	1,000,761	125,088	1,125,849	935,883
Other trading activities:						
Functions and events	5	-	39,011	-	39,011	58,886
Investment activities	6	-	43,069	-	43,069	10,005
Other income	7	-	251,445	-	251,445	298,043
Total income		<u>-</u>	<u>4,862,576</u>	<u>1,154,890</u>	<u>6,017,466</u>	<u>5,331,903</u>
Expenditure on:						
Raising funds		-	52,499	-	52,499	102,944
Charitable activities:						
Outreach and Education		-	4,356,514	1,140,696	5,497,210	5,306,195
Total expenditure	8	<u>-</u>	<u>4,409,013</u>	<u>1,140,696</u>	<u>5,549,709</u>	<u>5,409,139</u>
Net income / (expenditure) for the year		-	453,563	14,194	467,757	(77,236)
Transfers between funds		-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		-	453,563	14,194	467,757	(77,236)
Gains on revaluation of fixed assets	12	-	3,705,804	-	3,705,804	175,434
Net movement in funds		<u>-</u>	<u>4,159,367</u>	<u>14,194</u>	<u>4,173,561</u>	<u>98,198</u>
Reconciliation of funds:	17					
Total funds brought forward		70,000	15,084,528	-	15,154,528	15,056,330
Total funds carried forward		<u>70,000</u>	<u>19,243,895</u>	<u>14,194</u>	<u>19,328,089</u>	<u>15,154,528</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

CHABAD LUBAVITCH UK
Balance sheet
As at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	12		19,966,568		16,753,417
Current assets:					
Debtors	13	388,563		355,627	
Cash at bank and in hand		<u>1,628,266</u>		<u>955,090</u>	
		2,016,829		1,310,717	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(1,673,831)</u>		<u>(1,874,085)</u>	
Net current assets / (liabilities)			<u>342,998</u>		<u>(563,368)</u>
Total assets less current liabilities			20,309,566		16,190,049
Creditors: amounts falling due after one year	15		<u>(981,477)</u>		<u>(1,035,521)</u>
Total net assets			<u><u>19,328,089</u></u>		<u><u>15,154,528</u></u>
Funds:					
Permanent endowment funds			70,000		70,000
Restricted funds		<u>14,194</u>		<u>-</u>	
Total Restricted funds			14,194		-
Unrestricted funds:					
Revaluation funds		13,500,712		10,026,850	
General funds		<u>5,743,183</u>		<u>5,057,678</u>	
Total Unrestricted funds			<u>19,243,895</u>		<u>15,084,528</u>
Total funds	17		<u><u>19,328,089</u></u>		<u><u>15,154,528</u></u>

Approved by the corporate trustee and signed on its behalf by:

Rabbi P Efuné
On behalf of Lubavitch (UK) Limited

Rabbi I H Sufrin
On behalf of Lubavitch (UK) Limited

24 October 2022

The attached notes form part of the financial statements.

CHABAD LUBAVITCH UK
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 £	2021	2020	2020 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	18		622,027		747,947
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		88,985		(398,048)	
Cash provided by / (used in) investing activities			88,985		(398,048)
Cash flows from financing activities:					
Repayments of borrowing		25,709		34,485	
Cash provided by / (used in) financing activities			25,709		34,485
Change in cash and cash equivalents in the year			736,721		384,384
Cash and cash equivalents at the beginning of the year			811,613		427,229
Cash and cash equivalents at the end of the year	19		1,548,334		811,613

1 Accounting policies

a) Basis of preparation

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) and the Charities Act 2011.

The charity 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property and improvements	2% straight line
Fixtures and fittings	20% reducing balance
Computer equipment	20% reducing balance
Motor vehicles	25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from revaluation reserve to the general reserve.

k) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The Charity finished operating its defined contribution scheme during 2015 on the retirement by the final member and the change in legislation to "Opt-in". The assets of the scheme are held separately from those of the Charity being invested with an insurance company. Any contributions payable for the year are charged in the statement of financial activities.

2 Detailed comparatives for the statement of financial activities

	2020 Endowment £	2020 Unrestricted £	2020 Restricted £	2020 Total £
Income from:				
Donations and legacies	-	2,827,755	-	2,827,755
Grants	-	365,545	835,786	1,201,331
 Charitable activities:				
Outreach and Education	-	807,298	128,585	935,883
 Other trading activities				
Functions and events	-	58,886	-	58,886
 Investment activities				
	-	10,005	-	10,005
 Other income		298,043		298,043
Total income	-	4,367,532	964,371	5,331,903
Expenditure on:				
Raising funds	-	102,944	-	102,944
Charitable activities:	-	4,341,824	964,371	5,306,195
Total expenditure	-	4,444,768	964,371	5,409,139
Net income / expenditure	-	(77,236)	-	(77,236)
 Transfers between funds	 -	 1,455,896	 (1,455,896)	 -
Net income / (expenditure) before other recognised gains and losses	-	1,378,660	(1,455,896)	(77,236)
 Gains / (losses) on revaluation of fixed assets	 -	 175,434	 -	 175,434
Net movement in funds	-	1,554,094	(1,455,896)	98,198
 Reconciliation of funds:				
Total funds brought forward	70,000	13,530,434	1,455,896	15,056,330
Total funds carried forward	70,000	15,084,528	0	15,154,528

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2021

3 Income from donations and legacies

			2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations and legacies	3,301,493	30,049	3,331,542	2,827,755
Grants	226,797	999,753	1,226,550	1,201,331
Total income	3,528,290	1,029,802	4,558,092	4,029,086

Included in the grants are £703,080 received from Hackney Learning Trust (2020: £ 657,611).

4 Income from charitable activities

			2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Outreach and Education	1,000,761	125,088	1,125,849	935,883
Total income from charitable activities	1,000,761	125,088	1,125,849	935,883

5 Income from other trading activities

			2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Functions and events	39,011	-	39,011	58,886
Total income from other trading activities	39,011	-	39,011	58,886

6 Income from investments

			2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Rental income received	43,069	-	43,069	10,005
Total income from investments	43,069	-	43,069	10,005

7 Other income

			2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Coronavirus job retention scheme	251,445	-	251,445	298,043
Total income from other income	251,445	-	251,445	298,043

CHABAD LUBAVITCH UK
Notes to the financial statements
For the year ended 31 December 2021

8 Analysis of expenditure

	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2021 Total	2020 Total
		£	£	£	£	£	£
Outreach and education	Direct	-	-	10,976	1,369,056	1,380,032	1,061,824
Legal & Professional	Direct	-	3,158	-	67,951	71,109	108,235
Accountancy fees	Direct	4,820	-	-	-	4,820	15,706
Auditor's remuneration	Direct	-	24,000	-	-	24,000	25,000
Wages	Staff time	86,486	-	35,795	2,012,944	2,135,225	2,245,088
Other staff costs	Direct	-	-	-	73,084	73,084	85,783
Donations paid	Direct	-	-	-	230,564	230,564	239,510
Book & shop supplies	Direct	-	-	-	26,571	26,571	22,064
Telephone	Staff time	34,011	-	-	-	34,011	35,956
Printing, postage & stationery	Staff time	62,377	-	-	-	62,377	62,814
Advertising	Staff time	-	-	5,728	-	5,728	12,282
Travel and Motor expenses	Staff time	-	-	-	120,920	120,920	75,026
Premises costs	Staff time	-	-	-	851,043	851,043	743,210
Computer maintenance	Staff time	57,476	-	-	-	57,476	39,736
Miscellaneous	Staff time	-	-	-	2,701	2,701	71,643
Bank charges	Staff time	23,049	-	-	-	23,049	24,598
Bank interest	Staff time	43,331	-	-	-	43,331	60,857
Depreciation	Staff time	-	-	-	403,668	403,668	479,807
		311,550	27,158	52,499	5,158,502	5,549,709	5,409,139
Support costs		(311,550)	-	-	311,550	-	-
Governance costs		-	(27,158)	-	27,158	-	-
Total expenditure 2021		-	-	52,499	5,497,210	5,549,709	
Total expenditure 2020		-	-	102,944	5,306,195		5,409,139

Donations were paid to individuals and other organisations during the year to support education and other charitable activities.

Of the total expenditure, £4,409,013 was unrestricted (2020: £4,444,768) and £1,140,696 was restricted (2020: £964,371).

Support and governance costs are allocated based on projected time spent by employees.

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2021	2020
	£	£
Depreciation	403,668	479,807
Auditor's remuneration		
Audit (net)	20,000	21,000

10 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	2,014,106	2,102,065
Social security costs	69,147	65,383
Pension contributions	51,972	77,640
	2,135,225	2,245,088

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	1	1
£70,000 - £79,999	1	-

The total employee benefits including pension contributions of the key management personnel were £122,281 (2020: £74,685).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Raising funds	2	3
Charitable activities	136	145
Support	8	10
Governance	3	3
	149	161

The charity also acknowledges the support of the volunteers who were used in day to day charitable activities and who helped the charity to achieve its charitable objectives.

11 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property £	Leasehold property £	Improvement to premises £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At the start of the year	18,926,617	775,000	2,469,517	1,114,855	183,757	23,469,746
Additions in year	-	-	118,588	6,927	5,500	131,015
Disposals in year	-	(275,000)	-	-	-	(275,000)
Revaluation	3,705,804	-	-	-	-	3,705,804
At the end of the year	22,632,421	500,000	2,588,105	1,121,782	189,257	27,031,565
Depreciation						
At the start of the year	4,718,012	380,520	422,699	1,079,750	115,348	6,716,329
Charge for the year	295,993	23,809	49,361	16,028	18,477	403,668
Eliminated on disposal	-	(55,000)	-	-	-	(55,000)
At the end of the year	5,014,005	349,329	472,060	1,095,778	133,825	7,064,997
Net book value						
At the end of the year	17,618,416	150,671	2,116,045	26,004	55,432	19,966,568
At the start of the year	14,208,605	394,480	2,046,818	35,105	68,409	16,753,417

Land with a value of £ 4,770,899 (2020: £4,770,899) is included within freehold property and is not depreciated.

Professional and other trustee valuations were carried out so that freehold property is stated at fair value at the year end.

All of the above assets are used for charitable purposes.

13 Debtors

	2021 £	2020 £
Trade debtors	178,862	266,080
Other debtors	209,701	89,547
	<u>388,563</u>	<u>355,627</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	79,932	143,477
Bank loans	90,242	74,034
Trade creditors	142,088	172,014
Taxation and social security	215,100	170,749
Other creditors	1,049,494	1,207,878
Accruals	96,975	105,933
	<u>1,673,831</u>	<u>1,874,085</u>

15 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	981,477	1,035,521
	<u>981,477</u>	<u>1,035,521</u>

Total bank loans of £1,071,719 (2020: £1,109,555) are secured against the following properties:

135 Clapton Common, London E5 9AE

42 St George Road, London SW19 4ED

228 Hale Lane, Edgware HA8 9QF

75a Cowley Rd, Oxford OX4 1HR

168 Shadwell Lane Leeds LS17 8AD

16 Analysis of net assets between funds 2021

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2021 Total funds
			£	£	£
Tangible fixed assets	13,500,712	-	6,451,662	14,194	19,966,568
Net current assets / (liabilities)	-	70,000	272,998	-	342,998
Long term liabilities	-	-	(981,477)	-	(981,477)
Net assets at the end of the year	13,500,712	70,000	5,743,183	14,194	19,328,089

Analysis of net assets between funds 2020

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2020 Total funds
			£	£	£
Tangible fixed assets	10,026,850	-	6,726,567	-	16,753,417
Net current assets	-	70,000	(633,368)	-	(563,368)
Long term liabilities	-	-	(1,035,521)	-	(1,035,521)
Net assets at the end of the year	10,026,850	70,000	5,057,678	-	15,154,528

17 Movements in funds 2021

	Funds at the start of the year	Income	Expenditure	Transfers	Revaluation	Funds at the end of the year
	£	£	£	£	£	£
Unrestricted funds:						
Revaluation fund	10,026,850	-	-	(231,942)	3,705,804	13,500,712
General funds	5,057,678	4,862,576	(4,409,013)	231,942	-	5,743,183
Total unrestricted funds	15,084,528	4,862,576	(4,409,013)	-	3,705,804	19,243,895
Restricted funds:						
Foundation	-	30,049	(15,855)	-	-	14,194
Security grants fund	-	296,673	(296,673)	-	-	-
Children Centre	-	571,140	(571,140)	-	-	-
Nursery	-	131,940	(131,940)	-	-	-
Edgware	-	125,088	(125,088)	-	-	-
Total restricted funds	-	1,154,890	(1,140,696)	-	-	14,194
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	15,154,528	6,017,466	(5,549,709)	-	3,705,804	19,328,089

Movements in funds 2020

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Unrestricted revaluation reserve	10,171,361	-	-	(319,945)	175,434	10,026,850
General funds	3,359,073	4,367,532	(4,444,768)	1,775,841	-	5,057,678
Total unrestricted funds	13,530,434	4,367,532	(4,444,768)	1,455,896	175,434	15,084,528
Restricted funds:						
Restricted revaluation reserve	9,211,711	-	-	(9,211,711)	-	-
Children Centre	1,455,896	619,338	(619,338)	(1,455,896)	-	-
Nursery	-	216,448	(216,448)	-	-	-
Edgware	-	128,585	(128,585)	-	-	-
Total restricted funds	1,455,896	964,371	(964,371)	(1,455,896)	-	-
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	15,056,330	5,331,903	(5,409,139)	-	175,434	15,154,528

Restricted Funds:

The charity's restricted funds during the year were made up as follows:

Children's Centre - this fund was established to receive donations for the building of the new Children's Centre.

Permanent endowment funds:

L Steinberg endowment- The gift was made to the charity on condition that it is held as a permanent endowment, the income from which is freely available to fund the activities of the charity.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	467,757	(77,236)
Depreciation	403,668	479,807
(Increase)/ decrease in debtors	(32,936)	249,944
Increase/ (decrease) in creditors	(216,462)	95,432
Net cash provided by / (used in) operating activities	622,027	747,947

19 Analysis of cash and cash equivalents

	At 1 January 2021 £	Cash flows £	Other changes £	At 31 December 2021 £
Cash at bank and in hand	955,090	673,176	-	1,628,266
Overdraft facility (repayable on demand)	(143,477)	63,545	-	(79,932)
Total cash and cash equivalents	811,613	736,721	-	1,548,334

Analysis of cash and cash equivalents 2020

	At 1 January 2020 £	Cash flows £	Other changes £	At 31 December 2020 £
Cash at bank and in hand	644,627	310,463	-	955,090
Overdraft facility (repayable on demand)	(217,398)	73,921	-	(143,477)
Total cash and cash equivalents	427,229	384,384	-	811,613

20 Related party transactions

As well as employing the directors of the corporate trustee, the charity also employed several individuals who were related to the directors of the corporate trustee. Salaries paid to these individuals were as follows:

Name	Job role	Relationship	Annual teaching salary £	Loan to Charity £
Family of Rabbi I H Sufrin Rabbi I H Sufrin	Rabbi		4,800	107,000
Family of Rabbi Y Angyalfi Rabbi Y Angyalfi Mrs S Angyalfi	Rabbi	Wife	20,437 20,437	
Family of Rabbi P Efune Rabbi P Efune	Rabbi		-	27,500

21 Corporate Trustee

The charity is governed by the board of directors of the corporate trustee Lubavitch (UK) Limited (a company limited by guarantee incorporated in England and Wales under company number 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit. The directors of the corporate trustee during the reporting period were:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr S Chevern
- Mr M Rabin

Accounts

CHABAD LUBAVITCH UK
CHARITY REGISTRATION NUMBER 227638

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020



LEGAL AND ADMINISTRATIVE INFORMATION

Address: Lubavitch Foundation
107-115 Stamford Hill
London N16 5RP

Corporate Trustee: Lubavitch (UK) Limited

Central Administration: Rabbi Yitchok Sufrin
Elizabeth Heycock (from April 2021)
Jon Benjamin

Independent Auditors: Goldwins
75 Maygrove Road
West Hampstead
London NW6 2EG

Principal Bankers: Barclays plc
Level 12
1 Churchill Place
London E14 5PH

Report of the Trustee for the Year Ending 31 December 2020

Objectives and Activities

Chabad Lubavitch UK is a charity established for the furtherance of its charitable objects, specifically: the advancement and promotion of the Jewish religion in accordance with the orthodox tenets thereof by providing facilities for the study of and instruction in Jewish religious literature; by the advancement of public education including education in the Orthodox Jewish faith and the provision of recreational facilities ancillary thereto; by the provision of school rooms, meeting rooms and ancillary facilities for persons of the Jewish faith; and by the provision of financial assistance to persons of the Jewish faith who are in need to enable them to observe and perform the rites and practices of the Jewish religion.

We keep the ethos of the Lubavitch movement at the core of our activities when delivering these objectives by unconditionally providing a welcoming open door to Jewish people from all walks of life, by making Judaism accessible and relevant by empowering individuals to develop, associate, identify and participate, by caring for and supporting the welfare of Jewish people and communities with devotion and affection no matter the time, place or need and by educating a generation of dedicated and skilled community leaders who live by the words, "Love your fellow as yourself".

Whether through Chabad Houses, activities on university campuses, events throughout the year across the country, educational programmes or through our network of schools, the charity engages with thousands of beneficiaries of all ages and backgrounds. And in times of personal crisis, our Shluchim (local emissaries) are on hand to support those suffering loss, bereavement or other challenges.

Public Benefit

The Trustee and its officers have regard to Section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit in delivering the charity's various activities and consider that the 'open door' approach when reaching out to beneficiaries across the community reflects and fulfils the charity's legal obligation to ensure that there is a public benefit in everything that the charity strives to do.

Safeguarding

The charity takes the safeguarding of young people and other vulnerable persons extremely seriously and has, since 2015, worked closely with the NSPCC to develop and implement a comprehensive safeguarding policy and ensure that all relevant persons receive frequent periodic training appropriate to their roles. The policy is kept under constant review, in consultation with the NSPCC, and procedures have been established to ensure that all are fully aware of and implement the policy and understand their responsibilities. New employees are fully vetted and DBS checked and periodic update check then take place subsequently.

Our thanks

We would like to thank all of our partners, supporters and friends for their continuing encouragement and assistance. We are grateful to all those who have given so much time and commitment to the advancement of the charity and its objectives.

We would also like to thank the professional team and the many members of our community who, due to the outgoing nature of our philosophy, so generously volunteer their time, and we would like to extend our heartfelt appreciation for their loyalty and ongoing support for the charity. As team members, they have often put aside personal needs and worked together to realise some of the charity's key aspirations

and targets. Without the personal efforts that all on the team have made, none of our many achievements would have been possible.

Achievements and performance: Summary of some of our key activities in 2020

Chabad Houses, present and future

2020 presented unique challenges to our network of Chabad houses in towns and cities across the country, serving communities and university campuses and playing a vital role in bringing Jewish knowledge and practice to thousands of beneficiaries every year through a range of innovative programmes and activities. Whilst many of these activities went online, often reaching even greater numbers of participants as a result, our Shluchim also rallied to the needs of communities and individuals isolated and apart from family and friends, particularly during the Festivals. Pesach, Rosh Hashanah and Chanukah 'in a Box' saw thousands of festive food, educational and spiritual items distributed across the country so that no one needed to miss out on observing and celebrating these important annual events.

An important part of our response has also been to draw up a comprehensive Covid-19 policy and the appointment of a Covid Compliance Officer to advise Shluchim and ensure all affiliates of Chabad Lubavitch UK follow best practice. A number of online seminars were held to educate and explain about the pandemic and the vaccine response, with Rabbinic and Medical Experts.

As well as those that are formally part of the Chabad Lubavitch UK, we work closely with independent Chabad Centres under the umbrella of the international Chabad Lubavitch movement, providing support and guidance, and coordinating activities with our colleagues. We are indebted to all of our Shluchim and their families for their selfless commitment to the needs of those they serve, on Jewish festivals, Shabbatot and throughout the year.

We have invested heavily in professional training to enable our Shluchim and Shluchos to carry out their

In Focus: Chabad House of Hendon

Chabad House of Hendon opened its doors to the public in October 2004, as a centre for all Jews regardless of background or belief. Since that time there has been constant growth, with hundreds of people passing through its doors on a weekly basis.

When Covid-19 hit in March 2020, Chabad didn't let lockdown restrictions stop its work; it simply changed gear. Passover Seder to-go boxes and Yom Tov care packages were arranged for hundreds of people. Zoom classes, programmes and events for all ages went into full swing, and virtual hangouts became the new way of interacting with our beloved community. Chabad House of Hendon made use of every available resource to reach out to the community virtually and from a safe distance, allowing the community to be able to connect with each other. As soon as it was safe to do so in-person weekday, Shabbos & Festival services and face-face shiurim (learning) resumed; allowing everyone to re-enter a safe environment at their level and comfort and have something for the betterment of their Jewish life.

Rabbi Gershon and Esther Mindel Overlander are dedicated to meeting the spiritual and practical needs of the Jewish community in Hendon and ensuring that no Jew should be left behind, and have touched countless lives over the years and during this most challenging 12 months. Rabbi Shlomo and Channa Fuchs joined the Chabad House March 2020 and have been warmly received into the community, making an invaluable contribution to Hendon's activities.

Chabad House of Hendon's door is always open and we are here to welcome you.



One of Hendon's online activities.

work in accordance with best practice, safeguarding policies and in compliance with all relevant regulations. The main vehicle for this training is the annual Kinus Hashluchim, which in 2020 was held online with inclusive and break-out sessions to allow our Shluchim to network, share best practice and avail themselves of a series of workshops covering areas ranging from youth work to fundraising.



Holiday Camps

As lockdown restrictions eased over the summer, children and adults were eager to welcome the return of our always popular school holiday camps. Huge efforts were made to ensure the Covid safety of our activities and bubbles took on a new meaning for the children!

Over 1,900 Children attended camps with Chabad's Camp Gan Israel Network around the UK. Many of the places were heavily subsidised, enabling children to enjoy a meaningful summer experience regardless of their parents' ability to pay and irrespective of their family's level of religious observance.

This included many children normally eligible for free school meals during term time, meaning that they received a meal that they might not otherwise have received at home during the holidays.



Enjoying the activities at a Leeds day camp.



Sukkah Mobile in Leeds, bringing the Mitzvah to your door!

In Focus: Chabad Lubavitch Leeds

Just three months in and our ambitious plans for 2020 had to be re-focused for a world with a new vocabulary of lockdowns, social distancing and Zoom. Rising to the challenge, and with Pesach and Seders rapidly approaching, our Rabbis, Rebbetzin and volunteers worked hard to make and distribute 120 Seder-to-You boxes, containing everything needed to celebrate the Festival.

Our wonderful CTeen participants were inspirational not only in rallying to help isolated and vulnerable members of the community, but also in innovating new activities such as the Adopt-a-Buddy scheme to make weekly calls to lonely elderly members.

The inception of Zoom classes brought both learning and spiritual nourishment to even more people than would normally participate in in-person groups. "I believe this year in particular people have been thirsty for spiritual inspiration as well as opportunities to meet with others," said Rabbi Eli Pink.

Meanwhile, following the success of Pesach's outreach drive, CTeens packed 350 Rosh Hashanah gift boxes, with calendars and all the essential food and spiritual items necessary for the New Year. A team of nine Shofar blowers blew the Shofar in 75 sessions at 36 different locations for those unable to keep the mitzvah otherwise.

Likewise, our Sukkah Mobile visited homes, businesses and ventured as far as Harrogate Grammar School, allowing people to take the Lulav and Esrog in both an unconventional but time-honoured fashion!

Reversing the trend, our Chanukah Drive-in event saw 70 cars and over 260 grandparents, parents and children participate in a unique, socially-distanced event with quizzes, food and inspirational Chanukah content – partnering with UHC, Etz Chaim, and BHH synagogues. Some 360 Chanukah boxes were also packed and distributed, thanks once again to CTeens, providing recipients with candles, gelt, a dreidel and educational material.

Along with student activities on campus, children's holiday camps, the Loaves of Love Shabbat food deliveries for the housebound and many other initiatives, Chabad Lubavitch Leeds helped to bring Leeds' community together even when we had to be apart, thanks to everyone in our fantastic team.

Leeds CTeens packing festival gift boxes.



Lubavitch Children's Centre

The Centre is a purpose built, state of the art facility in Stamford Hill, London, providing culturally sensitive child and adult services in a comfortable, welcoming and multi-lingual environment. The Centre offers a one-stop shop of services for children from infancy, and their parents and carers with a range of programmes to promote the physical and emotional wellbeing of families, support for new parents and practical activities and courses such as first aid, health advice, household budgeting, healthy eating and exercise classes. The Centre ensures to support the community with all its immediate needs, including physical (such as immunisations during the measles outbreak) and spiritual (Festival/Holiday Programmes).



The nursery provides high quality day-care in a warm and nurturing environment for ages 0 - 4 years old, and care for children with additional needs when necessary. As well as feeding children's minds, the Centre feeds their bodies with Kosher, hot, balanced three-course meals packed with fruit and vegetables.

Some 100 children and family members make use of the Centre on an average weekday. Annually we support over 3,000 families. We are supported in our efforts by Hackney Education and we have strong partnerships with Local Authorities in our area, with the Homerton and Whittington hospitals and with health trusts, the GP confederation, Hackney Ark and local voluntary family support organisations.

In response to Covid 19 we had to adapt our service provision. Initially we kept our day care open for vulnerable children and children of key workers with restrictions in place, to ensure the health and wellbeing of everyone involved. Over time we have been responding to constantly changing government guidelines and have adapted accordingly. Initially we closed our stay and play services but kept our antenatal clinic open. We then set up support groups and were able to support targeted families through this platform. Through the support of Covid grants we have been able to provide food packages and art packages to families in isolation and to those struggling financially as a result of lockdown and loss of income. Currently we are concentrating on getting all our services back up and running in a safe way and supporting those affected by Covid mentally, as well as physically and financially.



CTeen Chabad Teen Network

CTeen aims to provide a nurturing environment where teens can learn about themselves through giving to others, identify with individuals who share the same faith, and be part of a group that focuses on building core values and stresses positive character development. CTTeen delivers a comprehensive curriculum based on a three-part framework; Educational, Humanitarian and Social.

Educational

CTTeen places education at the forefront, ensuring every programme is designed to enhance the development of important life skills.

Humanitarian

CTTeen helps teens build compassion toward others by giving back to the community through various humanitarian projects, helping those in need in wider society. Local events include volunteering with other charities such as soup kitchens for those in need and charities helping children suffering from a variety of illnesses.

Social

CTeen builds social skills through positive affiliations, ensuring personal growth in a society where working together is the key to advancement.

CTeen College-Prep

CTeen also offers a wonderful preparation and transition from secondary school to further education. CTeen members are guaranteed to find a 'home-away-from-home' when they enrol in a university featuring **Chabad on Campus**, which has student centres at 14 institutions across the country.

Jewish Learning Institute (JLI)

JLI is the adult education arm of Chabad Lubavitch. Its mission is to make Jewish learning accessible and personally meaningful to every Jew, regardless of background or affiliation. JLI's insightful curricula utilise cutting-edge pedagogic techniques, embracing the 'multiple intelligence' model and utilising multimedia and an array of approaches to engage, educate, and inspire all kinds of minds in a dynamic Jewish learning experience.

Financial Review

Income and Expenditure

Income in 2020 increased to £5,331,903 from £5,223,367 in 2019. Our first national Charidy fundraising event took place in July 2020, boosting the income of both affiliated and independent Chabad branches. Income generated from functions and events fell to £58,886 from £245,713 in 2019. During 2020 overall costs fell to £5,409,139 from £5,477,526 in 2019. This resulted in a net surplus for the year, after revaluation of one of the properties, of £98,198 compared to a deficit the year before of £254,159. Included in the accounts is depreciation of £479,807 (2019 £499,622).

Principal risks

The directors of the corporate Trustee, working with the Council of Management, have identified the major risks to which the charity may be exposed and have taken the necessary steps to monitor and control these to mitigate any impact they may have on the charity in the future.

Ongoing work was carried out in 2020 to keep under review and to update where necessary all of the charity's governing and policy documents, many of which had been re-drafted or substantially overhauled in 2018. The directors are encouraged by the very positive progress that has been made in strengthening the charity's governance and its ability to identify and address risk.

The Council of Management receives reports from the Chabad Houses, branch locations and other operational areas regarding the services provided and adapts the supply of services responsively to changes in demand.

The charity is reliant on the continued philanthropic support of donors who gift approximately 53% of current income.

The Council of Management also reviews the performance of the charity's property portfolio. The properties are included in the balance sheet at their estimated market value. There is always a risk that property values might go down. To mitigate such risk, properties are formally valued approximately every five years by professional surveyors and are reviewed annually to ensure that the most recent formal valuation is still reasonable.

Governance

As stated above, the directors of the corporate Trustee, together with the Council of Management, have undertaken a thorough and extensive review of the charity's policies and processes and its satellite branches on matters of internal financial policy, control and risk. Care is taken to ensure that published financial statements comply with statute and accounting standards and the Charities SORP.

The Council oversees the relationship with the external auditor including approval of the audit plan and scope of the audit, annual assessment of the auditor's independence and review of the level of fees payable for non-audit services.

Reserves policy

Reserves are needed to bridge any funding gaps between commitments on educational and outreach activities and receiving resources through voluntary donations and grants. The Trustee has established a target level of reserves to protect the organisation and its charitable programmes by providing time to adjust to changing financial circumstances. It is considered that the minimum level of reserves as at 31 December 2020 would be £750,000 based on a sense of the likely impact on programmes that might be caused by a decline in income or an inability to reduce expenditure in the immediate short term. The

unrestricted reserve has passed this value, and the trustees will monitor cash resources to consider investment in an income producing endowment to reduce long term dependence on donations and grants.

Looking to the future

The Board of Directors and Council of Management are constantly looking at ways to develop and enhance the charity's operations and the support it provides to Chabad branches and activities across the country. This includes undertaking a SWOT analysis to ensure that weaknesses and challenges are identified and that the charity can work to its strengths.

A mapping exercise has been commenced to identify areas that are currently underserved with a view to opening branches in those locations, whilst also exploring ways to increase the sharing of resources and expertise among branches and affiliated organisations. This will help control overheads whilst providing more practical support to branches and avoiding areas of overlap.

Legal and administrative details

The charity's financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statement below, and comply with applicable laws and the Charities SORP (FRS 102).

This trustees' report has been prepared in accordance with Part 8 of the Charities Act 2011.

Structure, governance and Management Statement of Trustees' responsibilities

Chabad Lubavitch UK is governed by a Declaration of Trust dated 17th October 2018, which superseded a Declaration of Trust dated 21st January 1959 (as amended).

Trustee: The charity is governed by the Board of Directors of the corporate trustee Lubavitch (UK) Limited (Company No. 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit.

The directors of the corporate trustee are:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr Michael Rabin
- Mr Stephen Chevern

Organisation: The Board of Directors of the Trustee convene periodically, but a minimum of four times per year.

The Board of Directors is assisted by a Council of Management, which meets approximately every three weeks. Three new members joined the Council of Management during the year, signalling its ongoing commitment to enhance further its members' knowledge and experience and to strengthen its connections to Chabad activities around the country. Members during the year were:

- Rabbi Y Angyalfi
- Rabbi S Arkush
- Rabbi N Dubov
- Rabbi P Efune

- Rabbi M Junik
- Rabbi D Katz
- Rabbi M Korner
- Rabbi S Lew
- Rabbi Y Pink
- Rabbi L Sudak
- Rabbi B Sudak
- Rabbi A M Sufrin
- Rabbi I H Sufrin

The Charities Act 2011 requires the trustees to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing these accounts, the trustees should follow best practices and;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Remuneration of trustees and senior management: The corporate trustee and its directors are not remunerated for their services as trustees of the charity. Where directors of the corporate trustee or members of their families carry out other roles in their capacities as rabbis/teachers (all of which roles existed before they became directors), they are remunerated at appropriate market rates but decisions about remuneration are only made after each has recused himself from the decision-making process, which is undertaken by the Council of Management. This arrangement has been endorsed by way of a Scheme approved by the Charity Commission. Transactions with related parties are disclosed in the notes to the financial statements. Remuneration of other senior personnel is similarly determined by reference to market rates and by the directors of the corporate trustee in conjunction with the Council of Management, subject to taking all necessary steps to avoid any actual or perceived conflicts of interest.

By order and on behalf of the Corporate Trustee, Lubavitch (UK) Limited

Rabbi I H Sufrin (Director)

20 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

Opinion

We have audited the financial statements of Chabad Lubavitch UK (the 'Charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 Charity 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement in the trustee's report, the trustee is 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 it determines 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 trustee is responsible for assessing the 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 trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHABAD LUBAVITCH UK

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 are set out below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

20 December 2021

CHABAD LUBAVITCH UK
Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2020

		Endowment funds	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	-	2,827,755	-	2,827,755	2,510,546
Grants	3	-	365,545	835,786	1,201,331	1,433,995
Charitable activities: Outreach and Education	4	-	807,298	128,585	935,883	1,014,607
Other trading activities: Functions and events	5	-	58,886	-	58,886	245,713
Investment activities	6	-	10,005	-	10,005	18,506
Other income	7	-	298,043	-	298,043	-
Total income		<u>-</u>	<u>4,367,532</u>	<u>964,371</u>	<u>5,331,903</u>	<u>5,223,367</u>
Expenditure on:						
Raising funds		-	102,944	-	102,944	151,921
Charitable activities: Outreach and Education		-	4,341,824	964,371	5,306,195	5,325,605
Total expenditure	8	<u>-</u>	<u>4,444,768</u>	<u>964,371</u>	<u>5,409,139</u>	<u>5,477,526</u>
Net (expenditure) for the year		-	(77,236)	-	(77,236)	(254,159)
Transfers between funds		-	1,455,896	(1,455,896)	-	-
Net (expenditure) before other recognised gains and losses		-	1,378,660	(1,455,896)	(77,236)	(254,159)
Gains on revaluation of fixed assets		-	175,434	-	175,434	-
Net movement in funds	17	<u>-</u>	<u>1,554,094</u>	<u>(1,455,896)</u>	<u>98,198</u>	<u>(254,159)</u>
Reconciliation of funds:						
Total funds brought forward		70,000	13,530,434	1,455,896	15,056,330	15,310,489
Total funds carried forward		<u>70,000</u>	<u>15,084,528</u>	<u>-</u>	<u>15,154,528</u>	<u>15,056,330</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

CHABAD LUBAVITCH UK
Balance sheet
As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Tangible assets	12		16,753,417		16,659,742
Current assets:					
Debtors	13	355,627		605,571	
Cash at bank and in hand		<u>955,090</u>		<u>644,627</u>	
		1,310,717		1,250,198	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(1,874,085)</u>		<u>(1,819,568)</u>	
Net current liabilities			<u>(563,368)</u>		<u>(569,370)</u>
Total assets less current liabilities			16,190,049		16,090,372
Creditors: amounts falling due after one year	15		<u>(1,035,521)</u>		<u>(1,034,042)</u>
Total net assets			<u>15,154,528</u>		<u>15,056,330</u>
Funds					
Permanent endowment funds			70,000		70,000
Restricted funds		<u>-</u>		<u>1,455,896</u>	
Total Restricted funds			-		1,455,896
Unrestricted funds:					
Revaluation funds		10,026,850		10,171,361	
General funds		<u>5,057,678</u>		<u>3,359,073</u>	
Total Unrestricted funds			<u>15,084,528</u>		<u>13,530,434</u>
Total funds	17		<u>15,154,528</u>		<u>15,056,330</u>

Approved by the corporate trustee and signed on its behalf by:

Rabbi P Efune
On behalf of Lubavitch (UK) Limited

Rabbi I H Sufrin
On behalf of Lubavitch (UK) Limited

20 December 2021

The attached notes form part of the financial statements.

CHABAD LUBAVITCH UK
Statement of cash flows
For the year ended 31 December 2020

	Note	2020 £	2020	2019	2019 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	18		747,947		31,733
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		(398,048)		(56,274)	
Cash provided by / (used in) investing activities			(398,048)		(56,274)
Cash flows from financing activities:					
Repayments of borrowing		34,485		114,083	
Cash provided by / (used in) financing activities			34,485		114,083
Change in cash and cash equivalents in the year			384,384		89,542
Cash and cash equivalents at the beginning of the year			427,229		337,687
Cash and cash equivalents at the end of the year	19		811,613		427,229

1 Accounting policies

a) Basis of preparation

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) and the Charities Act 2011.

The charity 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property and improvements	2% straight line
Fixtures and fittings	20% reducing balance
Computer equipment	20% reducing balance
Motor vehicles	25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from revaluation reserve to the general reserve.

k) Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The Charity finished operating its defined contribution scheme during 2015 on the retirement by the final member and the change in legislation to "Opt-in". The assets of the scheme are held separately from those of the Charity being invested with an insurance company. Any contributions payable for the year are charged in the statement of financial activities.

2 Detailed comparatives for the statement of financial activities

	2019 Endowment £	2019 Unrestricted £	2019 Restricted £	2019 Total £
Income from:				
Donations and legacies	-	2,510,546	-	2,510,546
Grants	-	192,282	1,241,713	1,433,995
 Charitable activities:				
Outreach and Education	-	855,762	158,845	1,014,607
 Other trading activities				
Functions and events	-	245,713	-	245,713
 Investment activities	-	18,506	-	18,506
Total income	-	3,822,809	1,400,558	5,223,367
Expenditure on:				
Raising funds	-	151,921	-	151,921
Charitable activities:	-	3,875,243	1,450,362	5,325,605
Total expenditure	-	4,027,164	1,450,362	5,477,526
Net income / expenditure	-	(204,355)	(49,804)	(254,159)
 Transfers between funds	-	9,198,128	(9,198,128)	-
Net income / (expenditure) before other recognised gains and losses	-	8,993,773	(9,247,932)	(254,159)
 Gains / (losses) on revaluation of fixed assets	-	-	-	-
Net movement in funds	-	8,993,773	(9,247,932)	(254,159)
 Reconciliation of funds:				
Total funds brought forward	70,000	4,536,661	10,703,828	15,310,489
Total funds carried forward	70,000	13,530,434	1,455,896	15,056,330

CHABAD LUBAVITCH UK

Notes to the financial statements

For the year ended 31 December 2020

3 Income from donations and legacies

			2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations and legacies	2,827,755	-	2,827,755	2,510,546
Grants	365,545	835,786	1,201,331	1,433,995
Total income	3,193,300	835,786	4,029,086	3,944,541

Included in the grants are £657,611 received from Hackney Learning Trust (2019: £ 1,241,713).

4 Income from charitable activities

			2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Outreach and Education	807,298	128,585	935,883	1,014,607
Total income from charitable activities	807,298	128,585	935,883	1,014,607

5 Income from other trading activities

			2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Functions and events	58,886	-	58,886	245,713
Total income from other trading activities	58,886	-	58,886	245,713

6 Income from investments

			2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Rental income received	10,005	-	10,005	18,506
Total income from investments	10,005	-	10,005	18,506

7 Other income

			2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Coronavirus job retention scheme	298,043	-	298,043	-
Total income from other income	298,043	-	298,043	-

CHABAD LUBAVITCH UK
Notes to the financial statements
For the year ended 31 December 2020

8 Analysis of expenditure

	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2020 Total	2019 Total
		£	£	£	£	£	£
Outreach	Direct	-	-	49,494	1,012,330	1,061,824	1,075,410
Legal & Professional	Direct	-	32,132	-	76,103	108,235	102,613
Accountancy fees	Direct	15,706	-	-	-	15,706	3,714
Auditor's remuneration	Direct	-	25,000	-	-	25,000	25,000
Wages	Staff time	74,685	-	41,168	2,129,235	2,245,088	1,920,103
Other staff costs	Direct	-	-	-	85,783	85,783	57,332
Donations paid	Direct	-	-	-	239,510	239,510	501,396
Book & shop supplies	Direct	-	-	-	22,064	22,064	5,710
Hire of equipment	Direct	-	-	-	-	-	4,464
Telephone	Staff time	35,956	-	-	-	35,956	39,888
Printing, postage & stationery	Staff time	62,814	-	-	-	62,814	51,468
Advertising	Staff time	-	-	12,282	-	12,282	33,069
Travel and Motor expenses	Staff time	-	-	-	75,026	75,026	118,180
Subscription	Staff time	-	-	-	-	-	1,064
Premises costs	Staff time	-	-	-	743,210	743,210	924,862
Computer maintenance	Staff time	39,736	-	-	-	39,736	26,727
Miscellaneous	Staff time	-	-	-	71,643	71,643	4,318
Bank charges	Staff time	24,598	-	-	-	24,598	20,487
Bank interest	Staff time	60,857	-	-	-	60,857	62,099
Depreciation	Staff time	-	-	-	479,807	479,807	499,622
		314,352	57,132	102,944	4,934,711	5,409,139	5,477,526
Support costs		(314,352)	-	-	314,352	-	-
Governance costs		-	(57,132)	-	57,132	-	-
Total expenditure 2020		-	-	102,944	5,306,195	5,409,139	
Total expenditure 2019		-	-	151,921	5,325,605		5,477,526

Donations were paid to individuals and other organisations during the year to support education and other charitable activities.

Of the total expenditure, £4,444,768 was unrestricted (2019: £4,027,164) and £964,371 was restricted (2019: £1,450,362).

Support and governance costs are allocated based on projected time spent by employees.

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2020	2019
	£	£
Depreciation	479,807	499,622
Auditor's remuneration		
Audit	25,000	25,000
Other services	-	32,000

10 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:	2020	2019
	£	£
Salaries and wages	2,102,065	1,771,469
Social security costs	65,383	58,313
Pension contributions	77,640	90,321
	2,245,088	1,920,103

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2020	2019
	No.	No.
£60,000 - £69,999	1	1

The total employee benefits including pension contributions of the key management personnel were £74,685 (2019: £72,048).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020	2019
	No.	No.
Raising funds	3	3
Charitable activities	145	123
Support	10	13
Governance	3	3
	161	142

The charity also acknowledges the support of the volunteers who were used in day to day charitable activities and who helped the charity to achieve its charitable objectives.

11 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property £	Leasehold property £	Improvement to premises £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At the start of the year	18,751,183	775,000	2,160,403	1,107,045	102,633	22,896,264
Additions in year	-	-	309,114	7,810	81,124	398,048
Revaluation	175,434	-	-	-	-	175,434
At the end of the year	18,926,617	775,000	2,469,517	1,114,855	183,757	23,469,746
Depreciation						
At the start of the year	4,351,021	345,710	381,564	1,061,933	96,294	6,236,522
Charge for the year	366,991	34,810	41,135	17,817	19,054	479,807
At the end of the year	4,718,012	380,520	422,699	1,079,750	115,348	6,716,329
Net book value						
At the end of the year	14,208,605	394,480	2,046,818	35,105	68,409	16,753,417
At the start of the year	14,400,162	429,290	1,778,839	45,112	6,339	16,659,742

Land with a value of £ 4,770,899 (2019: £4,770,899) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

13 Debtors

	2020 £	2019 £
Trade debtors	266,080	262,309
Other debtors	89,547	343,262
	<u>355,627</u>	<u>605,571</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	143,477	217,398
Bank loans	74,034	114,949
Trade creditors	172,014	141,300
Taxation and social security	170,749	76,115
Other creditors	1,207,878	1,203,496
Accruals	105,933	66,310
	<u>1,874,085</u>	<u>1,819,568</u>

15 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loans	1,035,521	1,034,042
	<u>1,035,521</u>	<u>1,034,042</u>

Total bank loans of £1,109,555 (2019: £1,148,991) are secured against the following properties:

135 Clapton Common, London E5 9AE

42 St George Road, London SW19 4ED

228 Hale Lane, Edgware HA8 9QF

75a Cowley Rd, Oxford OX4 1HR

168 Shadwell Lane Leeds LS17 8AD

16 Analysis of net assets between funds 2020

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2020 Total funds
			£	£	£
Tangible fixed assets	10,026,850		6,726,567	-	16,753,417
Net current assets / (liabilities)		70,000	(633,368)	-	(563,368)
Long term liabilities			(1,035,521)	-	(1,035,521)
Net assets at the end of the year	10,026,850	70,000	5,057,678	-	15,154,528

Analysis of net assets between funds 2019

	Revaluation fund	Endowment fund	Unrestricted funds	Restricted funds	2019 Total funds
			£	£	£
Tangible fixed assets	10,171,361		5,032,485	1,455,896	16,659,742
Net current assets		70,000	(639,370)	-	(569,370)
Long term liabilities			(1,034,042)	-	(1,034,042)
Net assets at the end of the year	10,171,361	70,000	3,359,073	1,455,896	15,056,330

17 Movements in funds 2020

	Funds at the start of the year	Income	Expenditure	Transfers	Revaluation	Funds at the end of the year
	£	£	£	£	£	£
Unrestricted funds:						
Revaluation fund	10,171,361	-	-	(319,945)	175,434	10,026,850
General funds	3,359,073	4,367,532	(4,444,768)	1,775,841	-	5,057,678
Total unrestricted funds	13,530,434	4,367,532	(4,444,768)	1,455,896	175,434	15,084,528
Restricted funds:						
Children Centre	1,455,896	619,338	(619,338)	(1,455,896)	-	-
Nursery	-	216,448	(216,448)	-	-	-
Edgware	-	128,585	(128,585)	-	-	-
Total restricted funds	1,455,896	964,371	(964,371)	(1,455,896)	-	-
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	15,056,330	5,331,903	(5,409,139)	-	175,434	15,154,528

Movements in funds 2019

	Funds at the start of the year £	Income £	Expenditure £	Transfers £	Revaluation £	Funds at the end of the year £
Unrestricted funds:						
Unrestricted revaluation reserve	1,327,253	-	-	8,844,108	-	10,171,361
General funds	3,209,408	3,822,809	(4,027,164)	354,020	-	3,359,073
Total unrestricted funds	4,536,661	3,822,809	(4,027,164)	9,198,128	-	13,530,434
Restricted funds:						
Restricted revaluation reserve	9,211,711	-	-	(9,211,711)	-	-
Youth	278,527	31,600	(40,557)	(269,570)	-	-
Children Centre	1,430,666	887,555	(862,325)	-	-	1,455,896
Nursery	66,077	225,619	(291,696)	-	-	-
CST Fund	-	61,631	(61,631)	-	-	-
Edgware	-	194,153	(194,153)	-	-	-
Leeds	(58,137)	-	-	58,137	-	-
Oxford	(225,016)	-	-	225,016	-	-
Total restricted funds	10,773,828	1,400,558	(1,450,362)	(9,198,128)	-	1,455,896
Permanent endowment funds	70,000	-	-	-	-	70,000
Total funds	15,380,489	5,223,367	(5,477,526)	-	-	15,056,330

Restricted Funds:

The charity's restricted funds during the year were made up as follows:

Children's Centre - this fund was established to receive donations for the building of the new Children's Centre.

Permanent endowment funds:

L Steinberg endowment- The gift was made to the charity on condition that it is held as a permanent endowment, the income from which is freely available to fund the activities of the charity.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(77,236)	(254,159)
Depreciation	479,807	499,622
(Increase)/ decrease in debtors	249,944	9,258
Increase/ (decrease) in creditors	95,432	(222,988)
Net cash provided by / (used in) operating activities	747,947	31,733

19 Analysis of cash and cash equivalents

	At 1 January 2020 £	Cash flows £	Other changes £	At 31 December 2020 £
Cash at bank and in hand	644,627	310,463	-	955,090
Overdraft facility (repayable on demand)	(217,398)	73,921	-	(143,477)
Total cash and cash equivalents	427,229	384,384	-	811,613

Analysis of cash and cash equivalents 2019

	At 1 January 2019 £	Cash flows £	Other changes £	At 31 December 2019 £
Cash at bank and in hand	536,614	108,013	-	644,627
Overdraft facility (repayable on demand)	(198,927)	(18,471)	-	(217,398)
Total cash and cash equivalents	337,687	89,542	-	427,229

20 Related party transactions

As well as employing the directors of the corporate trustee, the charity also employed several individuals who were related to the directors of the corporate trustee. Salaries paid to these individuals were as follows:

Name	Job role	Relationship	Annual teaching salary £	Loan to Charity £
Family of Rabbi I H Sufrin Rabbi I H Sufrin	Rabbi		6,000	108,000
Family of Rabbi Y Angyalfi Rabbi Y Angyalfi Mrs S Angyalfi	Rabbi	Wife	20,025 20,025	
Family of Rabbi P Efune Rabbi P Efune	Rabbi		-	77,050

21 Corporate Trustee

The charity is governed by the board of directors of the corporate trustee Lubavitch (UK) Limited (a company limited by guarantee incorporated in England and Wales under company number 02932344), which is responsible for setting the charity's strategy, for ensuring good governance and that it fulfils its objectives of delivering public benefit. The directors of the corporate trustee during the reporting period were:

- Rabbi Y Angyalfi
- Rabbi P Efune
- Rabbi I H Sufrin
- Mr S Chevern
- Mr M Rabin