

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CHARITY NO.: 299063

**KOL CHAI HATCH END REFORM JEWISH COMMUNITY
434 Uxbridge Road
Hatch End
Pinner
Middlesex HA5 4RG**

KOL CHAI HATCH END REFORM JEWISH COMMUNITY
(An unincorporated charity)

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MAY 2021

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KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2021

The trustees present their report and accounts for the year ended 31 May 2021.

Objects and Organisation of the Charity and Principal Activities

Kol Chai Hatch End Reform Jewish Community is a charity established under a charitable trust and is governed by its constitution. The objects of the charity are as defined by its constitution and its principal activity is that of a synagogue and Jewish community. In particular, there is an emphasis on the educational work of the community.

The charity is organised and administered by its elected management committee and executive officers. The management committee meets each month. The executive officers, in addition to attending the management committee meetings, also meet separately, once a month.

The trustees (i.e. the management committee members) have considered the major risks to which the charity is exposed.

Public Benefit

The charity's trustees have had due regard to the Charity Commission's public benefit guidance. The main objectives of the charity are the promotion, preservation and observance of Jewish tradition, and these are set to reflect our faith and community aims. The focus of our activities is the provision of plots and burial rites in accordance with tradition, and arranging communal events and activities.

Development, Activities and Achievements this Year

Kol Chai Hatch End Reform Jewish Community continues to develop the breadth and depth of activities (spiritual and non-spiritual) that it offers members. The educational, social and other charitable works of the charity have continued to be pursued, although some activities have been curtailed in the year as a result of the covid pandemic.

Balance Sheet and Statement of Financial Activities

The Statement of Financial Activities shows that for the year to 31 May 2021 the charity recorded a deficit of £1,132 (2020: a surplus of £15,978). In addition, as a result of donations for the building fund and associated Gift Aid income, the capital reserve increased by £74,542.

In accordance with our long established charitable principles, we have continued this year to raise money for our own trust funds and to collect for the benefit of outside charities.

Our balance sheet continues to show a healthy level of net assets of £591,923 (2020: £516,440).

In order to avoid any unnecessary bank interest and charges, the main operating bank account of the community holds both restricted and unrestricted funds.

Subsequent Events

The refurbishment work and small extension in relation to our synagogue building, referred to in the previous year's accounts, were commenced in the year ended 31 May 2021 and have been completed subsequent to the year-end. As part of these works, certain items of kitchen and other equipment have been replaced. In the year ended 31 May 2021, circa £134,000 was spent on the building and circa £25,000 on equipment.

A further circa £103,000 has been spent subsequent to the year-end.

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The works have been financed by a combination of bank borrowings, donations from our members, and our own resources. In addition to bank borrowings of about £40,000 in May 2021, further such borrowings of circa £139,000 have been made subsequent to the year-end. Donations from our members, together with the associated Gift Aid receipts, totalling circa £75,000 were received prior to 31 May 2021 with a further circa £10,000 committed after that date.

Available Funds and Reserves

On the basis that membership numbers remain at least at the current level, and donations and fundraising efforts continue to provide suitable funds, the year ahead should enable the community to operate within available resources in relation to our ongoing activities and to service our bank loan.

It is the community's policy to keep its funds on a low risk basis in accounts of high street banks. The funds represented by reserves held for specific purposes are similarly held.

Whilst the ageing demographics of members means that membership income may decline over the coming years, the trustees continue to look at ways of introducing new members. Our balance sheet continues to show a satisfactory net asset position, and we should be able to settle bills during the period of at least 12 months following the approval of the accounts.

Risk

The major risk to the community is if membership income does not cover its expenditure. For this reason, the trustees continue to keep careful control over expenditure. The trustees endeavour to set subscriptions at a realistic level sufficient to meet routine expenditure. When setting membership subscription levels, the trustees also bear in mind that many members are on low fixed incomes, and accordingly reductions in the level of subscriptions are agreed in some cases. The treasurer monitors the cash resources of the community on a regular basis to ensure that bona fide expenditure can be settled on a prompt basis.

As a result of the covid pandemic, certain fund raising activities that would otherwise have taken place have had to be curtailed and although some activities have continued online, fund raising revenues have decreased to some extent.

Volunteers

The charity benefits from the substantial use of the services of volunteers, many of whom are trustees.

Trustees

The honorary officers as defined in the constitution, together with the other members of the management committee, are also the trustees of the charity. There are no other trustees.

The trustees who served during any part of the year were:



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The trustees are elected by the members of the community at the annual general meeting. In the event of any of these offices not being filled at the annual general meeting or falling vacant during the year, the management committee may appoint a suitable member to hold office until the next annual general meeting.

No payments have been made to the trustees in respect of services provided to the charity.

Statement of the Trustees' Responsibilities

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and its results for that period. In preparing those financial statements, the trustees are required to:-

1. Select suitable accounting policies and apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

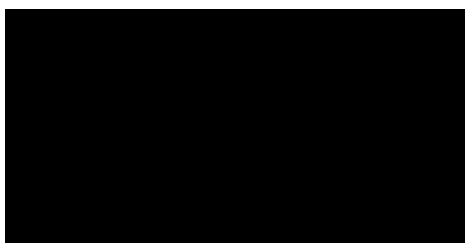
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the synagogue's constitution and The Charities (Accounts and Reports) Regulations 2008.

Approval

This report was approved by the trustees on *27th March 2022* and signed on their behalf.



Independent Examiner's Report to the Trustees of Kol Chai Hatch End Jewish Community

I report to the trustees on my examination of the accounts of the charity, set out on pages 5 to 13, for the year ended 31 May 2021.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that, in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Brian Mulderrig
Independent Examiner

Date.....17/03/2022.....

Gittins Mulderrig
Chartered Accountants
Registered Auditors
6 High Street
Northwood
Middlesex
HA6 1BN

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SUMMARY OF RESTRICTED FUNDS AT 31 MAY 2021

	Welfare Fund Note 7 £	PA Fund Note 8 £	Educational Trust Fund Note 9 £	Rabbi's Discretionary Fund Note 10 £	World Jewry Fund Note 11 £	Total Restricted Funds at 31/05/2021 £
Incoming Resources						
Contributions and donations	0	0	0	920	0	920
High Holyday appeal	0	0	0	2,153	0	2,153
Total incoming resources	0	0	0	3,073	0	3,073
Resources Expended						
Direct charitable expenses	0	0	0	1,000	0	1,000
Total Resources Expended	0	0	0	1,000	0	1,000
Net incoming/(outgoing) resources for the period	0	0	0	2,073	0	2,073
Funds as at 31 May 2020	2,391	866	7,702	4,402	(100)	15,261
Fund balances carried forward at 31 May 2021	2,391	866	7,702	6,475	(100)	17,334

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MAY 2021

	Restricted Funds	Unrestricted Funds	Total	Total
	31/05/2021	Income & Expenditure Note 5	Capital Reserve Note 6	31/05/2020
	£	£	£	£
Incoming Resources				
Membership subscriptions		178,766	178,766	183,001
Income tax repayment on subscriptions & donations		39,774	14,877	39,064
Rental income		0	0	1,705
Contributions and donations	920	379	59,666	8,369
High Holyday appeal	2,153	4,127	6,280	6,831
Fund raising		4,547	4,547	8,236
Furlough grant		5,613	5,613	
Total incoming resources	3,073	233,206	74,543	247,206
Resources Expended				
Donations given	-1,000	-5,027	-6,027	-7,041
Other direct charitable expenses	5	-16,931	-16,931	-19,977
Management and administration of the charity	5	-212,380	-212,380	-201,926
Total resources expended	-1,000	-234,338	235,338	-228,944
Net outgoing/incoming resources for the period	2,073	-1,132	74,543	18,262
Transferred between Funds				
Building amortisation	2	10,480	-10,480	
Net funds for the period	2,073	9,348	64,063	18,262
Fund balances brought forward	15,261	205,428	295,751	498,178
Fund balances carried forward	17,334	214,776	359,814	516,440

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BALANCE SHEET AS AT 31 MAY 2021

	NOTES	2021		2020	
		£	£	£	£
FIXED ASSETS					
Land and buildings	2		567,579		443,648
Fixtures, fittings and equipment	2		23,943		6,594
			<u>591,522</u>		<u>450,242</u>
CURRENT ASSETS					
Debtors and prepayments	3	26,980		13,966	
Bank and cash balances		<u>29,176</u>		<u>66,405</u>	
		56,156		80,371	
CREDITORS					
Amounts falling due within one year	4	<u>17,256</u>		<u>14,173</u>	
NET CURRENT ASSETS			<u>38,900</u>		<u>66,198</u>
			630,422		
CREDITORS:					
Amounts falling due after more than one year	4		<u>38,499</u>		
NET ASSETS			<u>591,923</u>		<u>516,440</u>
Unrestricted Funds					
Income and expenditure account	5	214,776		205,428	
Capital reserve	6	<u>359,813</u>		<u>295,751</u>	
			574,589		501,179
Restricted Funds					
Welfare fund	7	2,391		2,391	
PA fund	8	866		866	
Educational trust fund	9	7,702		7,702	
Rabbi's discretionary fund	10	6,475		4,402	
World Jewry fund	11	<u>-100</u>		<u>-100</u>	
			<u>17,334</u>		<u>15,261</u>
			<u>591,923</u>		<u>516,440</u>

Date: 27th March 2022

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

1 ACCOUNTING POLICIES

Accounting Convention

These accounts have been prepared under the historical convention and in compliance with FRS102, the Financial Reporting Standard applicable in the UK, the Statement of Recommended Practice applicable to charities, effective 1 January 2019, and the Charities Act 2011.

Going Concern

The trustees consider that there are no material uncertainties over the charity's ability to continue operations and accordingly the accounts are prepared on a going concern basis.

Fund accounting

Unrestricted funds are those where there are no externally imposed restrictions and therefore are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subject to restrictions on their utilisation declared by the donor or through the terms of an appeal.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates.

Tangible assets and depreciation

The freehold premises comprise the cost of the land and building. The land is not depreciated; the building is amortised at 2% per annum. Fixtures, fittings and equipment are depreciated at the rate of 25% of net book value per annum.

Income tax repayments

Income tax repayments on subscriptions and donations are credited to income and expenditure account only when received, or accrued for only when receipt can be anticipated with reasonable certainty.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

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FIXED ASSETS

Freehold Premises

The freehold premises comprise the cost of land and buildings at Woodridings Yard, Hatch End, Pinner, Middlesex, and include legal and professional fees and other associated costs.

Land and Buildings

	2021	2020
	£	£
Cost		
At the beginning of the year	627,622	622,403
Additions during the year	134,411	5,219
At the end of the year	<u>762,033</u>	<u>627,622</u>
Amortisation		
At the beginning of the year	183,974	173,598
Charge for the year	10,480	10,376
At the end of the year	<u>194,454</u>	<u>183,974</u>
Net Book Value		
At the beginning of the year	<u>443,648</u>	<u>448,805</u>
At the end of the year	<u>567,579</u>	<u>443,648</u>
Fixtures, fittings and equipment		
Cost		
At the beginning of the year	43,726	39,658
Additions during the year	25,330	4,068
At the end of the year	<u>69,056</u>	<u>43,726</u>
Depreciation		
At the beginning of the year	37,132	34,935
Charge for the year	7,981	2,197
At the end of the year	<u>45,113</u>	<u>37,132</u>
Net Book Value		
At the beginning of the year	<u>6,594</u>	<u>4,723</u>
At the end of the year	<u>23,943</u>	<u>6,594</u>

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FOR THE YEAR ENDED 31 MAY 2021**

	2021	2020
	£	£
3 <u>DEBTORS AND PREPAYMENTS</u>		
Income tax repayments	16,343	13,117
Subscriptions and prepayments	<u>10,637</u>	<u>849</u>
	<u>26,980</u>	<u>13,966</u>
 4 <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Taxation and Social Security	1,706	2,504
Subscriptions & donations received in advance & accrued expenses	13,169	11,669
Bank loan	<u>2,381</u>	<u>0</u>
	<u>17,256</u>	<u>14,173</u>
 <u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>		
Bank loan	<u>38,499</u>	<u>0</u>

To assist in the financing of the improvements to the synagogue building, the community entered into a loan agreement with Kingdom Bank and made its first draw down shortly before 31 May 2021. The facility is up to a maximum amount of £215,000 repayable over a term of 30 years, at a rate of 3.95% fixed for the first 5 years of the loan.

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5 INCOME AND EXPENDITURE ACCOUNT

	2021	2020
	£	£
Surplus brought forward	205,428	179,074
Surplus for the year	792	15,978
	<u>206,220</u>	<u>195,052</u>
Transfer ex Capital Reserve (Note 7) - Building Amortisation	10,480	10,376
Surplus carried forward	<u>216,700</u>	<u>205,428</u>
<u>Expenses</u> (see Page 6)		
Salaries, fees and National Insurance	111,558	103,423
Jewish Joint Burial Society	22,800	22,435
Reform Judaism membership fees	29,230	30,953
Board of Deputies fees	495	495
Insurance	3,358	3,231
Printing, postage and stationery (incl. Koleinu)	9,685	6,299
Prayer books	0	92
Bank charges and interest	3,855	3,253
Building services, maintenance and renewals	1,117	8,834
Sundry expenses	1,665	2,211
Depreciation and amortisation	18,461	12,573
Loan interest	49	131
Rabbi's expenses	1,628	2,005
Membership of Citizens UK	2,060	2,000
Independent examination of accounts	1,250	1,188
Computer and database expenses	5,169	2,803
	<u>212,380</u>	<u>201,926</u>
<u>Other Direct Charitable Expenses</u>		
Religion School expenses (incl. salaries & national insurance)	14,518	15,220
High Holyday services and other religious services	2,413	4,757
	<u>16,931</u>	<u>19,977</u>

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FOR THE YEAR ENDED 31 MAY 2021**

	2021 £	2020 £
6 <u>CAPITAL RESERVE</u>		
Balance brought forward	295,751	305,767
Amortisation on building (note 2)	-10,480	-10,376
Donations received in the year re building works	59,666	360
Gift Aid relating to donations re building works	14,876	
Balance carried forward	<u>359,813</u>	<u>295,751</u>

7 WELFARE FUND

The Welfare Fund was established to allow the trustees to make specific donations, as they see fit, to needy causes in the community. These funds represent donations specifically designated for this purpose.

	2021 £	2020 £
Balance brought forward and carried forward	<u>2,391</u>	<u>2,391</u>
Represented by:		
Bank and cash balances	<u>2,391</u>	<u>2,391</u>

8 PA FUND

The Parents' Association (PA) Fund was established to support the activities of the religion school. Funds are raised from specific donations and fundraising events.

	2021 £	2020 £
Balance brought forward and carried forward	<u>866</u>	<u>866</u>
Represented by:		
Bank and cash balances	<u>866</u>	<u>866</u>

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9 EDUCATIONAL TRUST FUND

The Educational Trust Fund, founded in the memory of one of our early members, is available to sponsor any member participating in a course or event intended to further Jewish learning or identity. The fund receives specific donations.

	2021	2020
	£	£
Balance brought forward	7,702	8,152
Donations made in the year	0	450
Donations received in the year	<u>0</u>	<u>0</u>
Balance carried forward	<u><u>7,702</u></u>	<u><u>7,702</u></u>
Represented by:		
Bank and cash balances	<u><u>7,702</u></u>	<u><u>7,702</u></u>

10 RABBI'S DISCRETIONARY FUND

The Rabbi's Discretionary Fund was established to allow the rabbi to make specific donations for charitable purposes, as he or she sees fit. The fund represents donations for this purpose from both inside and outside the Community.

	2021	2020
	£	£
Balance brought forward	4,402	2,028
Donations made in the year	1,000	700
Donations received in the year	3,073	3,074
Balance carried forward	<u><u>6,475</u></u>	<u><u>4,402</u></u>
Represented by:		
Bank and cash balances	<u><u>6,475</u></u>	<u><u>4,402</u></u>

11 WORLD JEWRY

	2021	2020
	£	£
Brought forward and carried forward	<u><u>-100</u></u>	<u><u>-100</u></u>
Represented by:		
Bank and cash balances	<u><u>-100</u></u>	<u><u>-100</u></u>