

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

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 2023

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KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2023

The trustees present their report and accounts for the year ended 31 May 2023.

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. 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 every two months.

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 and expanded.

Balance Sheet and Statement of Financial Activities

Our Balance Sheet shows a healthy level of net assets of £684,391 (2022: £575,094).

The Statement of Financial Activities shows that for the year ended 31 May 2023 the charity recorded a surplus of £115,316 (2022: a deficit of £11,221) excluding building amortisation. Income for the year includes £125,000 in respect of a legacy bequeathed by a former member of the Community, comprising a pecuniary legacy of £10,000 that was received during the year and an interim distribution of £115,000 received after the year end in respect of the residuary Estate. The Estate is still in administration and so the exact entitlement cannot yet be determined but it is anticipated that there will in due course be a small final distribution, to be included as income in the 2024 accounts.

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.

To minimise bank interest and charges the main operating bank account of the community holds both restricted and unrestricted funds.

The Capital Reserve decreased by £11,940 which comprised building amortisation of £15,449 less £3,509 in respect of donations for the building fund and associated Gift Aid.

Subsequent Events

There have been no significant subsequent events at the date of the signing of this report.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2023

Available Funds and Reserves

On the basis that members paying subscriptions remain broadly at the current level, and donations and fundraising efforts continue to provide additional 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 subscription income is not sufficient to 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.

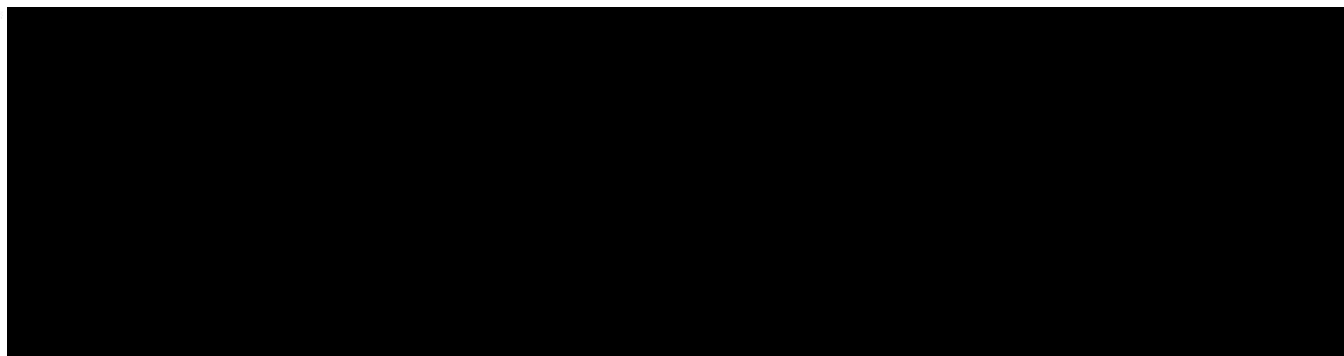
As a result of the covid pandemic, certain fundraising activities that would otherwise have taken place have had to be curtailed and although some activities have continued online, fundraising revenues have decreased to some extent.

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 the trustees of the charity. There are no other trustees.



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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2023

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 year. 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.

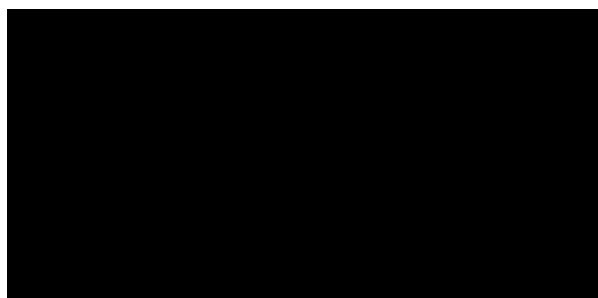
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity.

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 and signed on their behalf on 6 October 2023.



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 2023.

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.

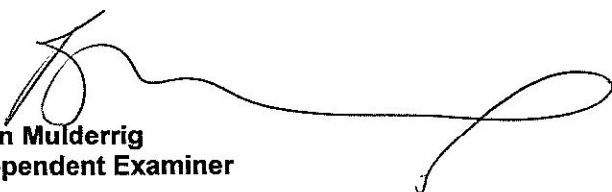
Independent Examiner's statement

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.....06.10.2023.....

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

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

SUMMARY OF RESTRICTED FUNDS AT 31 MAY 2023

	Welfare Fund	PA Fund	Educational Trust Fund	Rabbi's Discretionary Fund	Membership Development Fund	Total Restricted Funds at 31/05/2023
	Note 7	Note 8	Note 9	Note 10	Note 11	
	£	£	£	£	£	£
Incoming Resources						
Contributions and donations	0	0	0	500	5,000	5,500
High Holyday appeal	0	0	860	0	0	860
Total incoming resources	0	0	860	500	5,000	6,360
Resources Expended						
Direct charitable expenses	0	0	0	440	0	440
Total Resources Expended	0	0	0	440	0	440
Net incoming/(outgoing) resources for the period	0	0	860	60	5,000	5,920
Funds as at 31 May 2022	2,291	866	7,702	7,886	0	18,745
Fund balances carried forward at 31 May 2023	2,291	866	8,562	7,946	5,000	24,665

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MAY 2023

	Notes	<u>Restricted Funds</u> 31/05/2023 £	<u>Unrestricted Funds</u> Income & Expenditure £	Capital Reserve Note 6 £	Total 31/05/2023 £	Total 31/05/2022 £
Incoming Resources						
Membership subscriptions			189,431		189,431	181,105
Income tax repayment on subscriptions & donations			38,655	638	39,293	40,146
Rental income			2,125		2,125	906
Contributions and donations		5,500	2,322	2,871	10,693	10,495
Legacies			127,000		127,000	1,000
High Holyday appeal		860	3,450		4,310	5,769
Fundraising and social activities			18,499		18,499	11,466
Interest received			104		104	14
Furlough Grant			0		0	154
Total incoming resources		6,360	381,586	3,509	391,455	251,055
Resources Expended						
Donations given		440	4,325		4,765	6,394
Other direct charitable expenses	5		41,218		41,218	27,729
Management and administration of the charity	5		236,176		236,176	233,762
Total resources expended		440	281,719		282,159	267,885
Net outgoing/incoming resources for the period		5,920	99,867	3,509	109,296	-16,830
Transferred between Funds						
Building amortisation	6		15,449	-15,449		
Net funds for the period		5,920	115,316	-11,940	109,296	-16,830
Fund balances brought forward		18,745	203,556	352,794	575,095	591,924
Fund balances carried forward		24,665	318,872	340,854	684,391	575,094

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BALANCE SHEET AS AT 31 MAY 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Land and buildings	2		647,094		662,543
Fixtures, fittings and equipment	2		27,949		25,915
			<u>675,043</u>		<u>688,458</u>
CURRENT ASSETS					
Debtors and prepayments	3	135,923		24,764	
Bank and cash balances		<u>63,050</u>		<u>47,325</u>	
		198,973		72,089	
CREDITORS					
Amounts falling due within one year	4	<u>33,305</u>		<u>25,852</u>	
NET CURRENT ASSETS			<u>165,668</u>		<u>46,237</u>
			840,711		734,695
CREDITORS:					
Amounts falling due after more than one year	4		<u>156,320</u>		<u>159,601</u>
NET ASSETS			<u>684,391</u>		<u>575,094</u>
Unrestricted Funds					
Income and expenditure account	5	318,872		203,555	
Capital reserve	6	<u>340,854</u>		<u>352,794</u>	
			659,726		556,349
Restricted Funds					
Welfare fund	7	2,291		2,291	
PA fund	8	866		866	
Educational trust fund	9	8,562		7,702	
Rabbi's discretionary fund	10	7,946		7,886	
Membership Development fund	11	<u>5,000</u>		<u>0</u>	
			24,665		18,745
			<u>684,391</u>		<u>575,094</u>

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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 buildings; the buildings are amortised at 2% of cost per annum but the land is not amortised. 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 2023

2 **FIXED ASSETS**

Land and Buildings

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

	2023	2022
	£	£
Cost		
At the beginning of the year	872,446	762,033
Additions during the year	0	110,413
At the end of the year	<u>872,446</u>	<u>872,446</u>
Amortisation		
At the beginning of the year	209,903	194,454
Charge for the year	15,449	15,449
At the end of the year	<u>225,352</u>	<u>209,903</u>
Net Book Value		
At the beginning of the year	<u>662,543</u>	<u>567,579</u>
At the end of the year	<u>647,094</u>	<u>567,579</u>
Fixtures, fittings and equipment		
Cost		
At the beginning of the year	79,667	69,056
Additions during the year	<u>11,350</u>	<u>10,611</u>
At the end of the year	<u>91,017</u>	<u>79,667</u>
Depreciation		
At the beginning of the year	53,752	45,113
Charge for the year	<u>9,316</u>	<u>8,639</u>
At the end of the year	<u>63,068</u>	<u>53,752</u>
Net Book Value		
At the beginning of the year	<u>25,915</u>	<u>23,943</u>
At the end of the year	<u>27,949</u>	<u>25,915</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

	2023	2022
	£	£
3 <u>DEBTORS AND PREPAYMENTS</u>		
Income tax repayments	13,108	5,679
Subscriptions in arrears	1,051	448
Accrued income	115,000	0
Other debtors and prepayments	<u>6,764</u>	<u>18,637</u>
	<u><u>135,923</u></u>	<u><u>24,764</u></u>

Accrued income relates to the charity's entitlement to a share of the residuary estate of a former member. The amount of £115,000 is the amount of the interim distribution received after date. It is anticipated that there will be a small final distribution in due course but the amount of that cannot yet be determined as the estate is still in administration.

4 <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Taxation and Social Security	2,228	1,765
Subscriptions received in advance	4,476	5,426
Other creditors and accruals	24,499	15,655
Bank loan	<u>2,102</u>	<u>3,006</u>
	<u><u>33,305</u></u>	<u><u>25,852</u></u>

**CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR**

Bank loan	<u><u>156,320</u></u>	<u><u>159,601</u></u>
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To assist in the financing of improvements to the synagogue building, the community entered into a loan agreement with Kingdom Bank. The total amount borrowed amounted to £170,963. The capital balance outstanding at 31st May 2023 was £158,422 (2022: £162,607).

Interest is charged at a variable rate, which stood at 6.8% at the date of approval of these accounts.

The loan term was originally set at 30 years. Monthly instalments of capital and interest are being paid. It is the intention of the Trustees to periodically make additional capital repayments in order to shorten the loan term and save interest charges. If the loan term is not shortened it is estimated that the total of monthly instalments of capital and interest for the remainder of the term would amount to approximately £353,000.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

5 INCOME AND EXPENDITURE ACCOUNT

	2023	2022
	£	£
Surplus brought forward	203,555	214,776
Surplus (2022: Deficit) for the year	99,867	-26,670
	<u>303,422</u>	<u>188,106</u>
Transfer ex Capital Reserve (Note 6) - Building Amortisation	15,449	15,449
Surplus carried forward	<u>318,871</u>	<u>203,555</u>
<u>Expenses</u> (see Page 6)		
Salaries, fees and National Insurance	115,471	107,929
Jewish Joint Burial Society	10,502	22,337
Reform Judaism membership levy	26,328	22,665
Board of Deputies fees	495	495
Insurance	2,027	3,416
Printing, postage and stationery (incl. Koleinu)	7,710	8,111
Books	498	607
Bank charges and interest	3,746	3,741
Building services, maintenance and renewals	14,950	19,224
Sundry expenses	2,273	5,098
Depreciation and amortisation	24,765	24,088
Loan interest	8,689	5,734
Rabbi's expenses	2,327	1,937
Membership of Citizens UK	2,000	2,000
Independent examination of accounts	1,200	1,200
Bookkeeping	1,425	0
Computer and database expenses	11,770	5,180
	<u>236,176</u>	<u>233,762</u>
<u>Other Direct Charitable Expenses</u>		
Religion School expenses (incl. salaries & national insurance)	18,084	14,080
High Holyday services and other religious services	19,669	10,540
Fundraising costs	3,465	3,109
	<u>41,218</u>	<u>27,729</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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	2023 £	2022 £
6 CAPITAL RESERVE		
Balance brought forward	352,794	359,813
Amortisation on building (note 2)	-15,449	-15,449
Donations received in the year re building works	2,871	6,819
Gift Aid relating to donations re building works	638	1,611
Balance carried forward	<u>340,854</u>	<u>352,794</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.		
	2023 £	2022 £
Balance brought forward and carried forward	<u>2,291</u>	<u>2,291</u>
Represented by:		
Bank and cash balances	<u>2,291</u>	<u>2,291</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.		
	2023 £	2022 £
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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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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.

	2023 £	2022 £
Brought forward and carried forward	7,702	7,702
Donations received in the year	860	0
Balance carried forward	<u>8,562</u>	<u>7,702</u>
Represented by:		
Bank and cash balances	<u>8,562</u>	<u>7,702</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.

	2023 £	2022 £
Balance brought forward	7,886	6,476
Donations made in the year	-440	-200
Donations received in the year	500	1,610
Balance carried forward	<u>7,946</u>	<u>7,886</u>
Represented by:		
Bank and cash balances	<u>7,946</u>	<u>7,886</u>

11 MEMBERSHIP DEVELOPMENT FUND

The Membership Development Fund was established to provide financial support for projects or activities designed to grow membership.

	2023 £	2022 £
Balance brought forward	0	0
Donations received in the year	5,000	0
Balance carried forward	<u>5,000</u>	<u>0</u>
Represented by:		
Bank and cash balances	<u>5,000</u>	<u>0</u>