

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

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 2017

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KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2017

The Trustees present their report and accounts for the year ended 31 May 2017.

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 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.

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.

Balance Sheet and Statement of Financial Activities

The Statement of Financial Activities shows that for the year to 31 May 2017 the charity recorded a surplus of £22,837 (2016: £16,565).

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.

Although our balance sheet continues to show a healthy level of net assets of £481,213 (2016: £457,963), there is a continued focus on reducing our bank loan. The outstanding bank loan of £36,787 (2016: £50,773) is repayable by 2022.

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

Available Funds

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.

Approximately £33,000 has been spent on resurfacing the synagogue car park since 31 May 2017. £10,000 of this expenditure has been financed by way of a donation received in the year, which has been included in creditors.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2017

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:

R Braham (Chairman), P Martin, A Baker, A Etkind, C Gerstein, H Shapiro, J Bard, J Grant, J Schneider, M Brownstone, L Falk, B Fraser, E Remon, M Collins, V Collins and N Bard.

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 expenses incurred for 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 unless it is inappropriate to assume that the charity will continue in operation.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2017

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

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.

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.

Approval

This report was approved by the Trustees on *22 February 2018* and signed on their behalf.

[Handwritten signature]
.....

(Treasurer)

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

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2017.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



Michael Cass
Chartered Accountant
Pinner
Middlesex
HA5

Date 15/3/18

KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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SUMMARY OF RESTRICTED FUNDS AT 31 MAY 2017

	Welfare Fund	PA Fund	Educational Trust Fund	Rabbi's Discretionary Fund	World Jewry Fund	Total Restricted Funds at 31/05/2017
	Note 8	Note 9	Note 10	Note 11	Note 12	£
	£	£	£	£	£	£
Incoming Resources						
Contributions and donations			661	352		352
High Holiday appeal						661
Total incoming resources	0	0	661	352	0	1,013
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	661	(648)	0	13
Funds as at 31 May 2016	2,391	866	5,543	1,134	(100)	9,834
Fund balances carried forward at 31 May 2017	2,391	866	6,204	486	(100)	9,847

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MAY 2017

	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total</u>
	31/05/2017 £	Income & Expenditure Note 6 £	Capital Reserve Note 7 £
Incoming Resources			
Membership subscriptions		178,021	178,021
Income tax repayment on subscriptions & donations		39,623	39,623
Rental income		2,570	2,570
Contributions and donations	352	7,514	8,266
High Holyday appeal	661	5,436	6,097
Bank interest		18,594	18,594
Fund raising		251,758	253,171
Total incoming resources	1,013	400	400
Resources Expended			
Donations given	-1,000	-5,981	-6,981
Other direct charitable expenses	6	-39,486	-39,486
Management and administration of the charity	6	-183,454	-183,454
Total resources expended	-1,000	-228,921	-229,921
Net incoming resources for the period	13	400	23,250
Transferred between Funds			
Building amortisation	2	10,376	-10,376
Net funds for the period	13	-9,976	23,250
Fund balances brought forward	9,834	112,354	457,963
Fund balances carried forward	9,847	325,799	481,213
			457,963
			20,037
			20,037
			437,926
			457,963

KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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BALANCE SHEET AS AT 31 MAY 2017

	NOTES	2017		2016	
		£	£	£	£
FIXED ASSETS					
Land and buildings	2		465,943		476,319
Fixtures, fittings and equipment	2		8,210		1,961
			<u>474,153</u>		<u>478,280</u>
CURRENT ASSETS					
Debtors and prepayments	3	15,592		21,388	
Bank and cash balances		<u>70,348</u>		<u>25,818</u>	
		85,940		47,206	
CREDITORS					
Amounts falling due within one year	4		<u>-54,843</u>		<u>-29,500</u>
NET CURRENT ASSETS			31,097		17,706
CREDITORS					
Amounts falling due in more than one year	5		-24,037		-38,023
NET ASSETS			<u>481,213</u>		<u>457,963</u>
Unrestricted Funds					
Income and expenditure account	6	145,567		112,354	
Capital reserve	7	<u>325,799</u>		<u>335,775</u>	
			471,366		448,129
Restricted Funds					
Welfare fund	8	2,391		2,391	
PA fund	9	866		866	
Educational trust fund	10	6,204		5,543	
Rabbi's discretionary fund	11	486		1,134	
World Jewry fund	12	<u>-100</u>		<u>-100</u>	
			9,847		9,834
			<u>481,213</u>		<u>457,963</u>

Approved by the Management Committee

.....
Les Falk - Treasurer

Date:

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1 ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Charities SORP (FRS 102) and the Charity reporting and accounting: the essentials March 2015.

Fixed Assets and Depreciation

Freehold premises comprise the cost of 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 are credited to income and expenditure account only when received, or accrued for only when receipt can be anticipated with certainty.

Accumulated Funds

Unrestricted funds are those where there are no externally imposed restrictions. Restricted funds are subject to specific conditions by donors as to how they may be used.

2 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

	2017	2016
	£	£
Cost		
At beginning and end of the year	<u>618,789</u>	<u>618,789</u>
Amortisation		
At the beginning of the year	142,470	132,094
Charge for the year	10,376	10,376
	<u>152,846</u>	<u>142,470</u>
Net Book Value		
At the beginning of the year	<u>476,319</u>	<u>486,695</u>
At the end of the year	<u>465,943</u>	<u>476,319</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

2 **FIXED ASSETS** (continued)

	2017 £	2016 £
Fixtures, fittings and equipment		
Cost		
At the beginning of the year	32,779	32,779
Additions during the year	<u>6,739</u>	<u>-</u>
At the end of the year	<u>39,518</u>	<u>32,779</u>
Depreciation		
At the beginning of the year	30,818	30,165
Charge for the year	<u>490</u>	<u>653</u>
At the end of the year	<u>31,308</u>	<u>30,818</u>
Net Book Value		
At the beginning of the year	<u>1,961</u>	<u>2,614</u>
At the end of the year	<u>8,210</u>	<u>1,961</u>

3 **DEBTORS AND PREPAYMENTS**

Income tax repayments	11,535	10,659
Subscriptions and prepayments	3,557	4,381
Other debtors	<u>500</u>	<u>6,348</u>
	<u>15,592</u>	<u>21,388</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

	2017 £	2016 £
4		
<u>CREDITORS: AMOUNTS FALLING</u>		
<u>DUE WITHIN ONE YEAR</u>		
Taxation and Social Security	1,269	976
Subscriptions and donations received in advance and accrued expenses	40,824	15,774
Bank loan	<u>12,750</u>	<u>12,750</u>
	<u>54,843</u>	<u>29,500</u>

The community has a bank overdraft facility which is repayable on demand. The bank loan repayable within one year is the estimate of loan repayments net of estimated interest chargeable. (see Note 5)

5		
<u>CREDITORS: AMOUNTS FALLING DUE</u>		
<u>IN MORE THAN ONE YEAR</u>		
Bank loan	<u>24,037</u>	<u>38,023</u>

A bank loan was taken in 2003 from the Royal Bank of Scotland Plc for £250,000 to fund the extension of the Synagogue premises. The loan is repayable by 31 March 2022 at an interest rate of 1.875% over the bank's base rate. The loan is secured by a charge over the freehold premises and other assets and the bank has issued its right of recourse to the Synagogue Trustees.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

6 INCOME AND EXPENDITURE ACCOUNT

	2017	2016
	£	£
Surplus brought forward	112,354	85,413
Surplus for the year	22,837	16,565
	<hr/>	<hr/>
Transfer to Capital Reserve (Note 7) - Building Amortisation	10,376	10,376
Surplus carried forward	<u>145,567</u>	<u>112,354</u>
<u>Expenses</u> (see Page 6)		
Salaries, fees and National Insurance	100,190	107,499
Jewish Joint Burial Society	22,800	22,097
MRJ Membership fees	25,750	27,402
Board of Deputies fees	495	495
Insurance	4,038	3,660
Printing, postage and stationery (incl. Koleinu)	5,634	6,602
Prayer books	188	395
Bank charges and interest	2,399	2,184
Building services, maintenance and renewals	7,899	7,559
Sundry expenses	0	1,582
Depreciation and amortisation	10,866	11,029
Loan interest	1,065	1,746
Rabbi's expenses	2,130	2,023
	<hr/>	<hr/>
	<u>183,454</u>	<u>194,273</u>
<u>Other Direct Charitable Expenses</u>		
Religion School expenses (incl. Salaries & National Insurance)	17,751	21,809
High Holyday Services and other Religious Services	15,566	7,314
Direct Fundraising Expenses	6,169	4,086
	<hr/>	<hr/>
	<u>39,486</u>	<u>33,209</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

	2017	2016
	£	£
7 <u>CAPITAL RESERVE</u>		
Balance brought forward net of the building reserve	335,775	343,507
Amortisation on building (Note 2)	-10,376	-10,376
Donations received in the year	400	2,644
Balance carried forward	<u>325,799</u>	<u>335,775</u>

8 **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.

	2017	2016
	£	£
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>

9 **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.

	2017	2016
	£	£
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
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10 **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 identify. The fund receives specific donations.

	2017 £	2016 £
Balance brought forward	5,543	5,017
Donations made in the year	0	0
Donations received in the year	<u>661</u>	<u>526</u>
	<u>6,204</u>	<u>5,543</u>
Represented by:		
Bank and cash balances	<u>6,204</u>	<u>5,543</u>

11 **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.

	2017 £	2016 £
Balance brought forward	1,134	832
Donations made in the year	-1,000	0
Donations received in the year	352	302
Balance carried forward	<u>486</u>	<u>1,134</u>
Represented by:		
Bank and cash balances	<u>486</u>	<u>1,134</u>

12 **WORLD JEWRY**

	2017 £	2016 £
Brought forward and carried forward	<u>-100</u>	<u>-100</u>
Represented by:		
Bank and cash balances	<u>-100</u>	<u>-100</u>