

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

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 2018

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KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2018

The trustees present their report and accounts for the year ended 31 May 2018.

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.

Balance Sheet and Statement of Financial Activities

The Statement of Financial Activities shows that for the year to 31 May 2018 the charity recorded a deficit of £1,557 (2017: a surplus of £23,250).

The main reason for the deterioration of the result for the year is, as reported in the trustees' report for the year ended 31 May 2017, approximately £33,000 was spent on resurfacing the synagogue car park in the year ended 31 May 2018 although this amount is gross of a generous donation of £10,000.

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 £479,656 (2017: £481,213). Our bank loan balance has reduced to £22,527 (2017: £36,787). However, consideration is currently being given to refurbishing part of our synagogue building, and it is therefore likely that our borrowings will increase in the near future.

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

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2018

Available Funds and Reserves

At the balance sheet date the charity had free reserves of a little over £7,000 and strives to achieve a level at least equivalent to three months' expenditure. By definition free reserves exclude fixed assets in use by the charity and restricted 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 in relation to our ongoing activities. However, as indicated earlier, further funds will be required to finance proposed improvements to our building.

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 is likely to 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.

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:

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, N Bard and S Fraser.

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.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2018

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.

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 15 November 2018 and signed on their behalf.



.....
Leslie Falk
(Treasurer)

KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2018

I report to the trustees on my examination of the accounts of the charity, set out on pages 5 to 14, for the year ended 31 May 2018.

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.

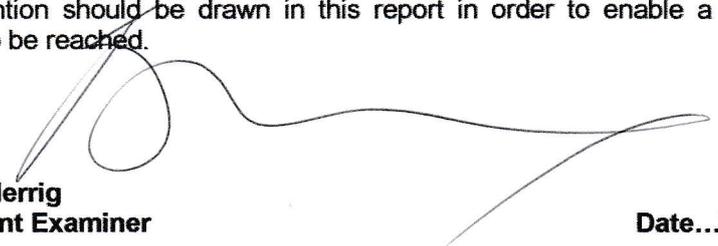
Independent Examiner's statement

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 27.03.2019.....

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

KOL CHAI HATCH END REFORM JEWISH COMMUNITY

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SUMMARY OF RESTRICTED FUNDS AT 31 MAY 2018

	Welfare Fund	PA Fund	Educational Trust Fund	Rabbi's Discretionary Fund	World Jewry Fund	Total Restricted Funds at 31/05/2018
	Note 8	Note 9	Note 10	Note 11	Note 12	
	£	£	£	£	£	£
Incoming Resources						
Contributions and donations	0	0	0	0	0	0
High Holyday appeal	0	0	770	0	0	770
Total incoming resources	0	0	770	0	0	770
Resources Expended						
Direct charitable expenses	0	0	0	0	0	0
Total Resources Expended	0	0	0	0	0	0
Net incoming/(outgoing) resources for the period	0	0	770	0	0	770
Funds as at 31 May 2017	2,391	866	6,204	486	(100)	9,847
Fund balances carried forward at 31 May 2018	2,391	866	6,974	486	(100)	10,617

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BALANCE SHEET AS AT 31 MAY 2018

	NOTES	2018		2017	
		£	£	£	£
FIXED ASSETS					
Land and buildings	2		455,567		465,943
Fixtures, fittings and equipment	2		6,297		8,210
			<u>461,864</u>		<u>474,153</u>
CURRENT ASSETS					
Debtors and prepayments	3	18,340		15,592	
Bank and cash balances		<u>38,860</u>		<u>70,348</u>	
			57,200		85,940
CREDITORS					
Amounts falling due within one year	4		<u>-29,631</u>		<u>-54,843</u>
NET CURRENT ASSETS			27,569		31,097
CREDITORS					
Amounts falling due in more than one year	5		-9,777		-24,037
NET ASSETS			<u><u>479,656</u></u>		<u><u>481,213</u></u>
Unrestricted Funds					
Income and expenditure account	6	153,256		145,567	
Capital reserve	7	<u>315,783</u>		<u>325,799</u>	
			469,039		471,366
Restricted Funds					
Welfare fund	8	2,391		2,391	
PA fund	9	866		866	
Educational trust fund	10	6,974		6,204	
Rabbi's discretionary fund	11	486		486	
World Jewry fund	12	-100		-100	
			10,617		9,847
			<u><u>479,656</u></u>		<u><u>481,213</u></u>

Approved by the Management Committee


.....
Les Falk - Treasurer

Date: 15 November 2018

KOL CHAI HATCH END REFORM JEWISH COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

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, 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 2018**

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

	2018	2017
	£	£
Cost		
At beginning and end of the year	<u>618,789</u>	<u>618,789</u>
Amortisation		
At the beginning of the year	152,846	142,470
Charge for the year	10,376	10,376
At the end of the year	<u>163,222</u>	<u>152,846</u>
Net Book Value		
At the beginning of the year	<u>465,943</u>	<u>476,319</u>
At the end of the year	<u>455,567</u>	<u>465,943</u>
Fixtures, fittings and equipment		
Cost		
At the beginning of the year	39,518	32,779
Additions during the year	<u>140</u>	<u>6,739</u>
At the end of the year	<u>39,658</u>	<u>39,518</u>
Depreciation		
At the beginning of the year	31,308	30,818
Charge for the year	<u>2,053</u>	<u>490</u>
At the end of the year	<u>33,361</u>	<u>31,308</u>
Net Book Value		
At the beginning of the year	<u>8,210</u>	<u>1,961</u>
At the end of the year	<u>6,297</u>	<u>8,210</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

		2018	2017
		£	£
3	<u>DEBTORS AND PREPAYMENTS</u>		
	Income tax repayments	11,522	11,535
	Subscriptions and prepayments	5,275	3,557
	Other debtors	<u>1,543</u>	<u>500</u>
		<u>18,340</u>	<u>15,592</u>
4	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
	Taxation and Social Security	1,604	1,269
	Subscriptions & donations received in advance &	15,277	40,824
	Bank loan	<u>12,750</u>	<u>12,750</u>
		<u>29,631</u>	<u>54,843</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

5	<u>CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR</u>		
	Bank loan	<u>9,777</u>	<u>24,037</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 premises and other assets and the bank has issued its right of recourse to the trustees.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

6 INCOME AND EXPENDITURE ACCOUNT

	2018	2017
	£	£
Surplus brought forward	145,567	112,354
Deficit/Surplus for the year	-2,687	22,837
	<u>142,880</u>	<u>135,191</u>
Transfer to Capital Reserve (Note 7) - Building Amortisation	10,376	10,376
Deficit/Surplus carried forward	<u>153,256</u>	<u>145,567</u>
Expenses (see Page 6)		
Salaries, fees and National Insurance	87,514	100,190
Jewish Joint Burial Society	23,413	22,800
RJ Membership fees	27,826	25,750
Board of Deputies fees	495	495
Insurance	4,196	4,038
Printing, postage and stationery (incl. Koleinu)	7,467	5,634
Prayer books	284	188
Bank charges and interest	1,978	2,399
Building services, maintenance and renewals	45,348	7,899
Sundry expenses	405	0
Depreciation and amortisation	12,429	10,866
Loan interest	740	1,065
Rabbi's expenses	2,296	2,130
Membership of Citizens UK	2,000	0
	<u>216,391</u>	<u>183,454</u>
Other Direct Charitable Expenses		
Religion School expenses (incl. Salaries & National Insurance)	17,999	17,751
High Holyday Services and other Religious Services	14,560	15,566
Direct fundraising expenses	6,579	6,169
	<u>39,138</u>	<u>39,486</u>

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FOR THE YEAR ENDED 31 MAY 2018

		2018 £	2017 £
7	<u>CAPITAL RESERVE</u>		
	Balance brought forward net of the building reserve	325,799	335,775
	Amortisation on building (note 2)	-10,376	-10,376
	Donations received in the year	360	400
	Balance carried forward	<u>315,783</u>	<u>325,799</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.

	2018 £	2017 £
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.

	2018 £	2017 £
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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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 identity. The fund receives specific donations.

	2018 £	2017 £
Balance brought forward	6,204	5,543
Donations made in the year	0	0
Donations received in the year	<u>770</u>	<u>661</u>
balance carried forward	<u><u>6,974</u></u>	<u><u>6,204</u></u>
Represented by:		
Bank and cash balances	<u><u>6,974</u></u>	<u><u>6,204</u></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.

	2018 £	2017 £
Balance brought forward	486	1,134
Donations made in the year	0	-1,000
Donations received in the year	0	352
Balance carried forward	<u><u>486</u></u>	<u><u>486</u></u>
Represented by:		
Bank and cash balances	<u><u>486</u></u>	<u><u>486</u></u>

12 WORLD JEWRY

	2018 £	2017 £
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>

13 SUBSEQUENT EVENTS

An external independent examiner was appointed subsequent to the balance sheet date and the cost of the examination, estimated at £900 net of VAT, has not been included within these accounts.