

Charity Registration No. 1098107

Company Registration No. 04632485 (England and Wales)

THE LONDON CARLBACH SHUL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018



THE LONDON CARLBACH SHUL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|---|
| Trustees | M Sinclair P Rosen P Goldsmith D B Leigh H H Zimmerman |
| Secretary | P Rosen |
| Charity number | 1098107 |
| Company number | 04632485 |
| Principal address | c/o St John's Wood Synagogue 37-41 Grove End Road London NW8 9NG |
| Registered office | 30 City Road London EC1Y 2AB |
| Independent examiner | Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB |

THE LONDON CARLBACH SHUL TRUST

CONTENTS

| | Page |
|-----------------------------------|--------|
| Trustees' report | 1 - 2 |
| Independent examiner's report | 3 |
| Statement of financial activities | 4 |
| Statement of financial position | 5 |
| Notes to the financial statements | 6 - 12 |

THE LONDON CARLBACH SHUL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2018

The Trustees present their report and accounts for the year ended 30 June 2018.

Legal and administrative information set out at the front of these financial statements form part of this report.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Trust's objects and its principal activity are:-

- 1) The advancement of the orthodox Jewish religion by the establishment, continuance and support of an orthodox Jewish synagogue.
- 2) Outreach work, comprising events such as Friday night dinners and social evenings, especially on Jewish festivals. These events are attended by both members and non members.
- 3) Educational development for all ages and all abilities.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

The Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Achievements and performance

The charity has continued to enhance its programme of events and regular religious and charitable activities, resulting in an improved offering and increased attendance in general. The charity looks forward to continuing its past achievements in the coming year.

Financial review

In line with the recommendations of the Charity Commission, the Council has formally adopted a reserves policy. This recognises that the income of the Trust does not arise evenly year on year and so to enable the Trust to plan its activities it is prudent to hold reserves.

During the past financial year the Trust began a merger with St John's Wood United Synagogue. The merger will provide consolidated services and utilise a shared infrastructure and staffing resources. The Trust will continue to operate a separate budget during the coming financial year in order to operate certain functions which will not immediately fall under the merged entity. It is expected that during the coming financial year revenue and expenditure will reduce as the Trust provides reduced services outside of the merged entity.

Based on the 2018 accounts, annual expenditure totalled £336,930 (2017: £325,228). There is a surplus on reserves as at 30 June 2018 of £61,637 (2017: £115,524). It is the intention to continue to increase reserves in the subsequent financial year.

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE LONDON CARLBACH SHUL TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2018

Structure, governance and management

The Trust is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The charity number is 1098107. The company number is 4632485.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Sinclair
P Rosen
P Goldsmith
D B'Leigh
H H Zimmerman

The Council of the charitable company ('the charity') is its trustees for the purposes of charity law and throughout this report are collectively referred to as the Council. As set out in the Articles of Association the chairman and the vice-chairman of the Council are nominated by the membership on an annual basis. The Council are elected by the members of the charitable company attending the Annual General Meeting and one third of the Trustees must retire at each AGM.

The Trust is UK based with its office in London and its governing body is the Board of Trustees.

The trustees oversee the work of the Charity, consider future projects and are involved in strategic decisions for the organisation.

The Trustees have assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees' report was approved by the Board of Trustees.



P Goldsmith

Trustee

Dated: 27/3/19

THE LONDON CARLBACH SHUL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LONDON CARLBACH SHUL TRUST

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 June 2018, which are set out on pages 4 to 11.

Responsibilities and basis of report

As the charity 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 company'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 Association of Chartered Certified Accountants, 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 that in any material respect:

- (i) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (ii) the accounts do not accord with those records; or
- (iii) 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
- (iv) 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.

Arram Berlyn Gardner LLP
Chartered Accountants

ABG LLP

Filiz Zekia FCCA

30 City Road

London

EC1Y 2AB

Dated: 29/3/19

THE LONDON CARLBACH SHUL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|----------------------|-----------------------|
| <u>Income from:</u> | | | |
| Donations and legacies | 2 | 225,225 | 303,030 |
| Incoming resources from charitable activities | 3 | 57,818 | 44,671 |
| Total income | | <u>283,043</u> | <u>347,701</u> |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 4 | 336,350 | 325,228 |
| Other | 7 | 580 | - |
| Total resources expended | | <u>336,930</u> | <u>325,228</u> |
| Net (expenditure)/income for the year/ Net movement in funds | | (53,887) | 22,473 |
| Fund balances at 1 July 2017 | | <u>115,524</u> | <u>93,051</u> |
| Fund balances at 30 June 2018 | | <u><u>61,637</u></u> | <u><u>115,524</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LONDON CARLBACH SHUL TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 26,481 | 29,861 |
| Current assets | | | |
| Debtors | 9 | 47,041 | 66,108 |
| Cash at bank and in hand | | 59,438 | 84,882 |
| | | <u>106,479</u> | <u>150,990</u> |
| Creditors: amounts falling due within one year | 10 | <u>(71,323)</u> | <u>(65,327)</u> |
| Net current assets | | <u>35,156</u> | <u>85,663</u> |
| Total assets less current liabilities | | <u><u>61,637</u></u> | <u><u>115,524</u></u> |
| Income funds | | | |
| Unrestricted funds | | <u>61,637</u> | <u>115,524</u> |
| | | <u><u>61,637</u></u> | <u><u>115,524</u></u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 29/3/19


P Goldsmith
Trustee

Company Registration No. 04632485

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Charity information

The London Carlbach Shul Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB. The principal place of business is 37-41 Grove End Road, London, NW8 9NG.

1.1 Accounting convention

The accounts have been prepared in accordance with the Trust's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Voluntary income is received by way of donations and gifts and is included in the Statement of Financial Activities when receivable. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

Income from patrons and members is recognised in the period to which it relates. Income is deferred only when the Trust has to fulfil its conditions before becoming entitled to it or when the donor has specified the income is to be expended in a future period.

1.5 Resources expended

Fundraising expenditure comprises costs incurred in the staging of general fundraising events.

Administration expenditure includes all expenditure not directly related to the charitable activity of fundraising ventures.

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|-------------------------|
| Fixtures, fittings & equipment | 15% Straight line basis |
|--------------------------------|-------------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.9 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Trust transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Funds accounting

Funds held by the trust are:

Unrestricted general funds - these are funds that can be used in accordance with the charitable objects, at the discretion of the Council.

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

2 Donations and legacies

| | 2018 | 2017 |
|---------------------|---------|---------|
| | £ | £ |
| Donations and gifts | 225,225 | 303,030 |

3 Incoming resources from charitable activities

| | 2018 | 2017 |
|--------------------------|--------|--------|
| | £ | £ |
| Membership subscriptions | 57,818 | 44,671 |

4 Charitable activities

| | 2018 | 2017 |
|---|---------|---------|
| | £ | £ |
| Staff costs | 72,909 | 69,994 |
| Depreciation and impairment | 4,900 | 1,427 |
| Fundraising costs (including operational costs) | 90,131 | 94,347 |
| Administrative support | 10,056 | 13,137 |
| Rent | 102,577 | 99,640 |
| Rates | 7,980 | 6,818 |
| Telephone | 1,011 | 3,365 |
| Accountancy fees | 3,180 | 2,760 |
| Sundry expenses | 6,534 | 3,664 |
| Postage and stationery | 233 | 424 |
| Travelling expenses | 5,338 | 2,389 |
| Legal and professional fees | - | 730 |
| Bank charges | 1,859 | 1,937 |
| Bad debts | 14,415 | 5,764 |
| Other direct costs | 15,227 | 18,832 |
| | 336,350 | 325,228 |

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Certain members of the Council are reimbursed for reasonable expenses incurred by them in carrying out their duties for the Trust.

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Employees

Number of employees

The average monthly number employees during the year was:

| | 2018 Number | 2017 Number |
|-------------------------|----------------|----------------|
| | 2 | 2 |
| | <u>2</u> | <u>2</u> |
| Employment costs | 2018 | 2017 |
| | £ | £ |
| Wages and salaries | 72,909 | 69,994 |
| | <u>72,909</u> | <u>69,994</u> |

There are no employees whose annual remuneration was £60,000 or more.

7 Other

| | 2018 | 2017 |
|---|------------|----------|
| | £ | £ |
| Net loss on disposal of intangible fixed assets | 580 | - |
| | <u>580</u> | <u>-</u> |

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

8 Tangible fixed assets

| | Fixtures, fittings & equipment £ |
|------------------------------------|-------------------------------------|
| Cost | |
| At 1 July 2017 | 31,971 |
| Additions | 2,100 |
| Disposals | (1,076) |
| At 30 June 2018 | 32,995 |
| Depreciation and impairment | |
| At 1 July 2017 | 2,110 |
| Depreciation charged in the year | 4,900 |
| Eliminated in respect of disposals | (496) |
| At 30 June 2018 | 6,514 |
| Carrying amount | |
| At 30 June 2018 | 26,481 |
| At 30 June 2017 | 29,861 |

9 Debtors

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 30,780 | 30,592 |
| Other debtors | 7,310 | 6,775 |
| Prepayments and accrued income | 8,951 | 28,741 |
| | 47,041 | 66,108 |

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Trade debtors are stated after provisions for impairment of £13,925 (2017: £5,764).

10 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------|-----------|-----------|
| Trade creditors | 22,668 | 15,699 |
| Accruals and deferred income | 48,655 | 49,628 |
| | 71,323 | 65,327 |

THE LONDON CARLBACH SHUL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

11 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2018 £ | 2017 £ |
|-----------------|---------------|---------------|
| Within one year | <u>14,000</u> | <u>76,195</u> |

12 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

13 Share capital

The Trust is limited by guarantee without any share capital. In the event of the Society being wound up, each member is liable to contribute for the payment of the debts and liabilities of the Trust of such amount as may be required, but not exceeding £1.