

Ner Yisrael Educational Trust

Treasurers' Report to Members on the annual accounts to 5 April 2018

15 July 2018

To the Members of Ner Yisrael.

In advance of the AGM on Tuesday evening I report to you all on the financial results for the shul for the year ended 5 April 2018. A detailed Income and Expenditure Account is shown on page 3 and a Balance Sheet for the Trust on page 4. These figures will be sent shortly to our auditors for review and for the publication of the statutory accounts that will be filed at the Charity Commission in a few months.

The core summary is as follows

| | Actuals 31 March 2017 | Actuals 31 March 2018 | Budget 31 March 2019 |
|----------------------------------|--------------------------|--------------------------|-------------------------|
| Total Income in year | £527,962 | £529,375 | £521,000 |
| Total expenditure | <u>£444,471</u> | <u>£483,930</u> | <u>£461,400</u> |
| Reported surplus | £ 83,491 | £ 45,445 | £ 59,600 |
| Less exceptional income | <u>£ 70,735</u> | <u>£ 30,000</u> | <u>£ --</u> |
| Core surplus for the year | £ 12,756 | £ 15,445 | £ 59,600 |
| Add back depreciation (not cash) | <u>£ 15,000</u> | <u>£ 14,057</u> | <u>£ 12,000</u> |
| Cash Surplus generated to pay | | | |
| back loans | £ 27,756 | £ 29,502 | £ 71,600 |
| Loans actually paid back | £ 27,360 | £ 31,494 | £ 31,494 |

For the last 2 years, excluding exceptional items, we have just about been able to produce regular income streams to pay off all our expenses as they fall due and generate sufficient cash to pay off our bank loans. It takes a lot of effort to ensure that your donations for membership; nedovoth, appeals and hall rentals have sufficient momentum to keep the income streams at a reasonable level so that we can pay all our expenses in a business like way. The introduction of the Ner Lamaor initiative, bringing in £35,000 per year, has been very helpful to stabilise our cash flow, and thanks go to those that have supported this appeal.

I use this report to appeal to you all as members to respond quickly and positively when we send out information on member account records to make donations as full and quickly as possible to help me manage the cash flow for the Synagogue during the year. Balancing the Books is one thing, but having the regular donations from members is the key to running the shul in an effective way, including the office asking members that kiddushim and hall hire charges are paid in advance, not in arrears.

Keeping costs under control is hard work for the office and me to try and ensure that we don't waste money. I welcome any suggestions that members have to help us spend our limited resources carefully

The Board is very pleased to have signed a new agreement with a local nursery to use the Jakobovits Centre on week days to replace The Gan whose nursery closed last summer. This is a thriving nursery and we look forward to them enhancing the provisions of the Educational Trust in the years to come. They also bring a valuable new income stream to the Trust (replacing the rent from the Hasmonian Beis

programme that we used to receive). A big thank you to Simon Bolsom for introducing the nursery, all the negotiations and ensuring the smooth implementation of its services.

Together with other initiatives, to review other sources of income, and keep costs under control, the Board has been able to sign off on a New Year budget that predicts a surplus for the first time for many years.

However the surplus, both for the income and expenditure account and the cash flow, after paying off bank loans, is now very much needed. There are several parts of the fabric of the Campus that need capital spending.

Only last week the air-conditioning units in the main shul had to be reviewed and we have been warned that these old units need to be replaced. An estimate of replacement close is £40,000.

Members have complained about the tarmac surface in the outside campus area, which needs to be replaced (£20,000); the toilets in the Main Shul need modernising (£X); the carpet in the main shul is now very tired

The list goes on

I don't make excuses, as treasurer, for running a tight budget and more often than not saying no to requests from Board members or the office to spend money. We, as a Board, know that we are only spending funds that principally comes from you and that we cannot spend beyond our means.

We will have to make appeals and create fundraising initiatives to help renovate and improve the facilities of the campus and I welcome any ideas or suggestions that you as members have.

I would like to thank Louise and Lyla in the Office for their constant support for the work I have to do keeping a close eye on incoming funds and how we spend the charities money. Another year to thank Felix for his watchful eye of gift aid claims and checking that we properly account for Gemach donations and pay them over promptly to The Gemach Trustees. Thank you to Rocheli for her bookkeeping work from Israel and finally to you the members for doing your best to support the shul and the charity.

If you have any questions on the accounts please do contact me.

Yours sincerely,



SIMON GOLD

Treasurer

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Ner Yisrael Educational Trust**Annual accounts summary
12 months to 5 April 2018****Last Year
2016/2017 This Year
2017/18****Income**

| | | |
|---|---------|---------|
| Membership Income | 200,769 | 223,102 |
| Gift aid | 35,671 | 19,939 |
| Ner Lamaor | 28,410 | 34,370 |
| Donation and gifts, fundraising and appeals | 125,757 | 107,845 |
| Hall Hire and Rental income | 38,508 | 38,142 |
| Kiddush and shul functions | 30,722 | 33,343 |
| Nedovoth | 34,268 | 42,351 |
| Income for 3rd Party orgs | 20,591 | 19,639 |
| Education activities | 13,266 | 10,644 |

Sum of regular income

527,962 529,375**Expenditure**

| | | |
|---|---------|---------|
| Staff remuneration costs | 219,170 | 220,428 |
| Pensions | 41,135 | 73,256 |
| Kiddushim and shul functions | 27,696 | 35,928 |
| Religion and services | 8,198 | 5,058 |
| Oaf Yomi, lecturers and shiurim | 11,598 | 10,097 |
| Donations to community orgs | 16,705 | 16,129 |
| Utilities (gas, elec, water and rates) | 14,256 | 15,802 |
| Repairs, maintenance and facility purchases | 8,699 | 15,424 |
| Library books | 1,842 | 2,017 |
| insurance | 8,283 | 9,054 |
| Printing, photocopying and stationary | 7,809 | 5,393 |
| adverts and desgins | 4,805 | 4,544 |
| Cleaning and refuse removal | 6,365 | 7,451 |
| IT support and website | 5,081 | 5,358 |
| Telephones fixed and mobile | 4,802 | 3,438 |
| Security Guarding services | 13,379 | 12,633 |
| Depreciation | 15,000 | 14,057 |
| Bank loan interest | 24,242 | 20,471 |
| book keeping and payroll services | 1,376 | 2,533 |
| Legal and Professional | 430 | 1,259 |
| Audit Fee | 3,600 | 3,600 |

total regular Expenditure

444,471 483,930**Surplus / (deficit)**

83,491 45,445special receipts included in above
(one off donations related to 2nd floor project)

70,735 30,000

Core surplus without exceptional income

12,756 15,445

Gemach receipts

62,082 82,109

Gemach payments

62,082 82,109

Ner Visrael Educational Trust

| Balance Sheet | 05-04-18 | 05-04-17 |
|---------------------------------------|------------------|------------------|
| Property | 2,552,341 | 2,552,341 |
| Other assets | 42,171 | 56,227 |
| | <u>2,594,512</u> | <u>2,608,568</u> |
| Prepayments and other debtors | 13,550 | 12,400 |
| Cash at Bank | 92,352 | 71,326 |
| | <u>105,902</u> | <u>83,726</u> |
| Creditors Control Account | 4,028 | 31,200 |
| Gemach Loan account | 3,318 | 2,869 |
| Accruals and other creditors | 44,790 | 23,898 |
| Bank loan due in a year | 13,699 | 13,699 |
| | <u>65,835</u> | <u>71,666</u> |
| total current assets less liabilities | 40,067 | 12,060 |
| Long term loans | (1,187,148) | (1,218,642) |
| Total assets | <u>1,447,431</u> | <u>1,401,986</u> |
| General Funds Unrestricted | 600,063 | 600,063 |
| Building and Other Funds - Restricted | 801,923 | 801,923 |
| Surplus for 12 months | 45,445 | |
| | <u>1,447,431</u> | <u>1,401,986</u> |