
JEWISH CARE

A charitable company limited by guarantee

Trustees' Report and Accounts

For the year ended 31 March 2019

JEWISH CARE

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JEWISH CARE

1. CHARITY INFORMATION

Bankers

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Level 28, 1 Churchill Place
London E14 5HP

Coutts & Company
440 Strand
London WC2R 0QS

Investment Advisors

Quilter Cheviot Limited
One Kingsway
London
WC2B 6AN

Veritas Investment Management LLP
90 Long Acre
London
WC2E 9RA

Auditors

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

Solicitors

Stephenson Harwood
One St Paul's Churchyard
London EC4M 8SH

Bircham Dyson Bell
50 Broadway
London SW1H 0BL

JEWISH CARE

1. CHARITY INFORMATION CONT'D

Pension Advisors

Barnett Waddingham LLP
Decimal Place
Chiltern Avenue
Amersham HP6 5FG

Principal Office & Registered Address

Amélie House
Maurice and Vivienne Wohl Campus
221 Golders Green Road
London NW11 9DQ

Charity Registration Number

802559

Company Registration Number

02447900

Website

www.jewishcare.org

JEWISH CARE

2. TRUSTEES' ANNUAL REPORT

The Trustees have pleasure in submitting their Report incorporating the strategic report and audited financial statements for the year ended 31 March 2019.

CHIEF EXECUTIVE'S OVERVIEW FOR 2018/19

The end of March 2019 marks one year since I was appointed as the CEO of Jewish Care. It has been another very positive year for Jewish Care, albeit in a period of continued challenge and for Jewish Care, some significant change. We recruited and inducted an entirely new senior leadership team and appointed four new Trustees. Jewish Care is indebted to former Trustees, Michael Blake, Debra Fox and Antony Grossman who all stepped down in November 2018.

In the world of social care, change is constant and brings opportunity too. We continue to see increased regulation across every area of our work which itself creates more challenge. We have worked hard to improve two homes previously rated by CQC as 'Requires Improvement' which now means all but one of our regulated services are now rated as 'Good'. The state of funding for social care remains a key feature of public discourse, and, as always, costs continue to rise. Jewish Care has played an active role in discussions with both central and local government, seeking to ensure funding for care services is addressed as policy develops. Whilst we have yet to see any significant review of the status quo, the pressure is growing to create a more sustainable situation in the UK. Whilst government remains the largest customer, paying care fees for many of our residents, so much of what we do is only possible because of the generosity of the Jewish community. Thousands of volunteers continue to support our paid workforce and this year's report shows voluntary income in excess of £25m (including capital donations), underlining the continued reliance we have on our wonderful supporters. Included among them are those who remember us with a gift in their will and legacy income whilst falling year on year again outstripped our 2018/19 budget expectations. We are also well on the way to fully funding our £47m development in Stanmore, with the Anita Dorfman Home and Wolfson Assisted Living being the first phase to open just after the year end. We were also delighted to open our newest Independent Living scheme in Hendon, Wohl Court, which began to receive tenants in February 2019. As we continue to invest in new facilities, it is inevitable that some of older homes will reach the end of their lifespan. In March 2019, we announced the closure of Rubens House, which had served the community well for over 50 years.

Overall, the organisation remains in a strong position, with compliments up and complaints down and the number of people using our services increasing. None of this would have been possible without Jewish Care's ability to work in partnership with the community. We are the envy of many in the social care world, because of our ability to harness that relationship and use it to the benefit of those people that need our services.

I would like to conclude by thanking both the paid staff, for the immense hard work that they have put in over the last year and our volunteers, including the members of our Trustee Board, our Honorary Presidents and President, for their commitment to Jewish Care. I am so grateful for the unique way that these groups of individuals work together to ensure that the Jewish community receives the quality of services it does. This makes me incredibly proud to be the Chief Executive of Jewish Care.

Daniel Carmel-Brown, Chief Executive Officer

JEWISH CARE

2. TRUSTEES' ANNUAL REPORT

2a. WHAT WE DO

Jewish Care is the largest health and social care charity serving the UK Jewish community in London and the South-East. Together with the work of our 1,329 staff members, our 3,000 volunteers and our dedicated lay leaders lending their time and expertise, we run over 70 centres and services, touching the lives of over 10,000 people every week through our vital services. Our role is to help Jewish people participate and live in their community by delivering care and support that recognises and values their Jewish way of life. We believe that all our clients should be able to celebrate and participate in those aspects of Judaism that they feel most comfortable with and our staff and volunteers ensure this is a fundamental part of the service we offer. As a leading communal organisation with a charitable purpose, we aim to make a positive difference to people's lives, improving their overall wellbeing and keeping them connected to their community. We recognise that everyone's situation is different and that they change over time, we strive to ensure every individual is empowered to live the way they want through our network of support. Our support and advice extends to the entire family from mother, brother, neighbour, wife or grandchild.

Our network of support includes the following services:

Community support and social work services – we have four specialist teams who can guide, support, advise and advocate in the areas of ageing and dementia, disability and welfare rights, family carers, Holocaust Survivors, Refugees and palliative care. Our teams work closely together with, and have developed community networks with GP's, synagogues and voluntary agencies and other organisations including the NHS, local authorities and other care service providers to deliver the best possible outcomes for our clients.

Jewish Care Direct (Helpline) – is a confidential first port of call information and advice helpline offering assistance with a wide range of health and social care queries. Our trained advisers are friendly, knowledgeable and helpful and can provide details of all of Jewish Care's community support services in a sensitive and compassionate manner.

Care homes– all of our care homes are committed to enable residents to receive high quality residential, nursing and dementia care in an environment that promotes meaningful lives. Electronic care plans support evidence based care and treatment while providing an educational function for staff with active input to policies and procedures. Our care homes are regulated and inspected by the Care Quality Commission (CQC) and we aim to provide the very best standards of care. We also offer a unique style of care which reflects the traditions, beliefs and culture shared by Jewish people. Our staff are trained to understand the Jewish culture and help residents to observe and celebrate Shabbat and the Jewish festivals in a comfortable "*heimische*" atmosphere. The Jewish way of life is celebrated in all of our homes, which have ongoing relationships with the community.

Community centres – our community centres are places where people can stay active, develop new skills, stay in touch with old friends and make new ones. We try to cater for all interests, by offering a wide variety of enjoyable activities for all ages, including exercise, discussions, computer lessons, social events, support groups and more. All of our centres celebrate the Jewish festivals and stay in touch with their communities by participating in activities with local synagogues and schools.

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We provide the following services cont'd:

Day centres – our day centres offer a wide programme of activities for older people, enabling them to remain active and connected to their community.

Mental Health and wellbeing – The Jewish Association for Mental Illness (JAMI) and Jewish Care deliver a single integrated mental health service for the Jewish Community. The services provided offer support, advice and care to people with mental health needs, their families and loved ones. The highly experienced and skilled teams provide individual support to clients using therapeutic, social and cultural activities, enabling people to maintain their independence and enhance their wellbeing.

Dementia care – our person centred care encourages individuals to remain active and helps people to maintain their dignity and quality of life. We also have a specialist dementia development team to train and support our staff working in dementia care throughout the organisation.

Home care and Live in Care – sometimes our clients need support to remain living independently in their own homes. This may mean providing someone to do the shopping, monitor a client's medication, help with personal hygiene or provide home care assistance as often as three times a day, every day or on a "live" in basis.

Independent Living Apartments – We opened our 3rd Independent Living Scheme, Wohl Court in Hendon in February 2019 with our 4th Independent Living scheme, Pears Court, opening in 2020 as part of our strategy to meet the community's aspirations and requirements. Tenants benefit from having access to communal facilities including lounges, a kosher restaurant/catering facility, a hobby room as well as a courtyard garden and excellent access to local shops and facilities.

Holocaust Survivor and Refugee Services – we also offer a unique range of therapeutic services for Holocaust survivors and refugees, tailored to meet their specific needs. Staff in the Shalvata centre offer practical and emotional support related to past trauma and current difficulties.

Disability services – we offer specialist services for people with disabilities, promoting independence, choice and providing support and enabling development.

Family carers support – our services for family carers provide vital information, support and representation to help people manage their caring role. We aim to offer individual support and advice about coping strategies and specialist support groups.

Support groups and social clubs – we facilitate several different groups that offer support, encouragement and advice to all those who attend. These groups offer support in such areas as addictions, bereavement, carers, Memory Way cafés, living with Dementia and divorce. Other social groups promote social events to increase confidence, enhance wellbeing and support those with mental health needs, such as the Active Life Supper club, Sunday socials and the Thursday Social Club and Salt Beef Bar.

JEWISH CARE

2b. OUR VISION, MISSION AND STRATEGY

Jewish Care is committed to ensuring that members of the Jewish community have access to the support and care they require to lead their lives as independently as possible. Jewish Care's vision is of a society where people support and care about one another and are able to participate fully in their community. Our mission is to enable Jewish people to do this, by delivering care and support that recognises and promotes Jewish values. As part of this commitment to the community we are currently developing a new vision for the future of care (2019-2025) in a changing landscape. To support this, we will also identify the values that are important to us, that will be visible throughout our work and how we behave with each other and our stakeholders. Our vision, mission and values along with our aims and objectives, should help to ensure that we meet the community's health and social care needs wherever possible, and that our working lives are fulfilling and give us pride in ourselves and in Jewish Care. We continue to deliver on our current Meaningful Lives Strategy which we use to guide our work in the future and which features the following objectives, core principles and values, all of which will continue to influence and guide our new vision for the future of care.

Promoting wellbeing: we seek to continually improve the wellbeing of our clients and staff so they can live life to the full.

- Create services and activities that make a positive difference to people's lives.
- Empower people to make decisions.
- Develop a culture of creativity and collaboration throughout Jewish Care.
- Demonstrate the impact made by our donors and volunteers.
- Ensure that our customers' needs are at the heart of everything we do.

Strengthening community: we will strengthen the Jewish community through all of our work by increasing connection and collaboration.

- Lead the development of an umbrella group of health and social care organisations within the Jewish community.
- Measure the impact of our services and work with others to decide where and how best to focus resources.
- Together with others, work to ensure that wherever there is a Jewish need, that need is met.
- Enhance Jewish Care's role as an advocate for the Jewish community in the national and local social care arenas.

Enhancing value: we look for ways to keep improving the effectiveness of our donors' money and all our resources.

- Continue to ensure the organisation is run in the most cost efficient way possible.
- Establish benchmarks and targets against which to measure performance.
- Actively create additional sources of revenue, including payment from all who can pay.
- Work with the community to establish a clear understanding of the need to give responsibly and pay for care.
- Ensure that those services that can break even do, and develop new services to generate revenue.

JEWISH CARE

2b. OUR VISION, MISSION AND STRATEGY CONT'D

Our Core Principles are:

The Jewish in Jewish Care: we believe that everything we do should enable people to embrace and enjoy their Jewish identity and culture.

People focus: we believe that putting people at the heart of everything we do helps us to achieve the best possible results for everyone involved in Jewish Care.

Collaboration: we believe in sharing what we know and will actively promote and enable collaborative working.

Giving and receiving: we believe that everyone has something to offer and encourage everyone to give as well as receive.

A quality approach: we believe that in everything we do, we should aim for the highest possible quality and the best possible outcome.

Paying for care: we believe that everyone who can, should contribute to the cost of their own, or their family's, care and support.

Our Values are:

Excellence: we are ambitious, professional and passionate about offering high quality services delivered with dedication and sensitivity.

Enabling: working together, we actively encourage people to "go for it" and live meaningful lives.

Creative: we are innovative, adaptable, welcome new ideas and believe in finding solutions that work for each individual.

Inclusive: everyone involved with Jewish Care is important and deserves to be treated with dignity and respect.

Integrity: we treat people fairly and are accountable for what we do and how we do it.

Everything we do is underpinned by Jewish values and ethics.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Our Constitution

Jewish Care is a registered Charity (registration number 802559) and a Charitable Company limited by guarantee and not having a share capital (registration number 02447900). Jewish Care was registered as a Charity in November 1989, though the predecessor organisations to Jewish Care have been providing care and support for the community since the 1850s. It is governed by its Memorandum & Articles of Association.

Subsidiaries & Linked Charities

At the year end, Jewish Care operated 4 subsidiaries and 20 linked Charities. Of the three larger subsidiaries and linked Charities, Community Trading is a trading subsidiary wholly owned by Jewish Care, the Joel Emanuel Almshouse Trust is a registered social landlord wholly owned by Jewish Care (linked Charity) and the Jewish Association for Mental Illness (JAMI) is a Charity of which Jewish Care is the sole company law member (see note 3 for a summary of the audited financial numbers for the year ended 31 March 2019). The three undertakings, as detailed below, nominate their own Board of Directors, Management Committee and Board of Trustees respectively. Jewish Care Pension Trustees Limited is also a dormant subsidiary of Jewish Care. It acts as Trustee to the pension schemes operated by Jewish Care. The other 20 are trusts and linked Charities (see note 12) and are consolidated on the basis of common management and control; work is continuing with the Charity Commission to rationalise these trusts. Jewish Care also has close working relationships and partnerships with other Jewish Charities sharing knowledge and support to actively enhance each of their respective objectives.

Community Trading Limited (CTL)

Community Trading Ltd (CTL) (company registration number 02449362) was incorporated in 1989. The principal activity of the Company is the provision of services to and in connection with Jewish Care. The majority of activities during 2018/19 were fundraising dinners in aid of Jewish Care and development of the sites at the Hendon and Stanmore respectively. The company makes a qualifying payment to Jewish Care.

Joel Emanuel Almshouse Trust (JET)

Joel Emanuel Almshouse Trust (JET) is a linked Charity and registered social landlord whose objects are the provision of housing for poor persons of the Jewish faith. The Trust operates Sidney Corob House, a mental health residential home for those over 50, offering residents different levels of care to suit their individual needs. The overall affairs of the Trust are managed and controlled by the Trustee (Jewish Care) through the operation of the Independent Living Committee (ILC) incorporating the JET Management Committee. The ILC also oversees the development of our Independent Schemes with our latest scheme Wohl Court in Hendon coming on line in February 2019 and the current development of Pears Court, Stanmore due to open in 2020.

Jewish Association for Mental Illness (JAMI)

Jewish Care with the Jewish Association for Mental Illness (JAMI) provides an integrated mental health service for the Jewish community providing support to clients using therapeutic, social and cultural activities, enabling them to maintain independence and enhance their wellbeing. Jewish Care is the sole company law member of JAMI. The Jewish Care 2019 numbers include the consolidated numbers of JAMI. JAMI owns a 100% trading subsidiary, JAMI Sales and Services Limited. Jewish Care supported JAMI with a grant of £765,257 during the year ended 31 March 2019 (2017/18: £765,257) which is included in incoming resources.

Funds held as custodian Trustee on behalf of others

The Charity does not hold funds as custodian Trustee on behalf of others.

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2c. STRUCTURE, GOVERNANCE AND MANAGEMENT CONT'D

Trustees

The Directors of Jewish Care are the Board of Trustees (who are listed on page 13 of this document). The Board of Trustees are the governing body and comprises of 17 Trustees, the minimum requirement is 10 Trustees with a maximum of 20. The Trustees have delegated the day to day decision making to the Executive Leadership Team who report directly to the Board of Trustees. The minimum term for a Trustee is 3 years up to a maximum term of 6 years. Any term over 6 years must be approved by at least two thirds of the Trustees. The Board of Trustees meets every 6-8 weeks alongside the Executive Leadership Team to discuss the strategic priorities, performance of the organisation against key performance indicators, to agree any changes in the way the organisation operates, strategic initiatives and to focus on the future. The Trustee Board has been selected based on skills and abilities chosen from a broad range of backgrounds, including health care, business, property, law, accountancy and public life to meet the collective requirements of the organisation. All new Trustees are given an induction pack on appointment with meetings and training organised with key Charity personnel. Development and training of Trustees continues throughout their term of appointment.

The Board of Trustees are supported by 3 sub Committees and 6 expert groups

Sub groups

- Nominations and Remunerations Committee
- Audit & Risk Committee
- Clinical Governance Committee

All three sub Committees of the Board of Trustees report directly to the Chair of the Board and have delegated authorities and responsibilities.

The Nomination and Remuneration Committee is responsible for the recruitment and selection of Trustees of the Board and the Executive Leadership Team. It consists of Trustees and the Chief Executive and is chaired by the Chairman of the Board. The Committee oversees the balance of skills, knowledge and experience and evaluates the requirements of all appointments to ensure an adequate balance of requisite skills. The Committee oversees the process for the appointment and framework for the remuneration of the Chief Executive and the Executive Leadership Team, whilst also ensuring that all actions in relation to both the Board of Trustees and the Executive Leadership Team reflect the requirements of the Fit and Proper Person test.

The Audit and Risk Committee is responsible for overseeing external and internal audit, stewardship of financial reporting and identifying and overseeing Jewish Care's risk assessment. The membership of the Audit and Risk Committee comprise the Charity's Chief Executive, Chief Operating Officer, Treasurer, Trustees and non-Trustees who have relevant current expertise in the areas of finance, audit and/or risk management.

The Clinical Governance Committee is responsible for scrutinising, providing assurance and oversight of Jewish Care's clinical governance arrangements throughout the organisation. The Committee ensures that adequate and appropriate governance and clinical risk structures, processes and controls are in place across Jewish Care. The membership of the Clinical Governance Committee comprise the Charity's Chief Executive, Director of Care Services, Director of Community Services, Trustees and non-Trustees who have relevant current expertise in the areas of clinical governance.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT CONT'D

Expert Groups

These Expert Groups exist in an advisory capacity only. They consist of Trustees and other non-Trustees who assist the Chief Executive and the professional officers of Jewish Care on relevant issues.

- Community Services Expert Group
- Patrons Committee
- Property Expert Group
- HR Expert Group
- Investment Expert Group
- IT Expert Group

The **Community Services Expert Group** oversees our front line care delivery providing advice and guidance on CQC requirements, strategic developments and initiatives, safeguarding whilst supporting a strong governance framework in terms of policy, procedures and practice across the organisation in line with current legislation, guidance, case law, regulatory and the wider field of health and social care.

The **Patrons Committee** provides advice and guidance to the fundraising and marketing team to support and develop a fit for purpose fundraising strategy.

The **Property Expert Group** provides advice and guidance on strategic property issues, likely costs to provide for major repairs, alterations and refurbishment and in keeping abreast of modern designs and methods within the remit of Health and Social Welfare.

The **HR Expert Group** provides advice and guidance to the Human Resources and Training team to support the delivery of a people strategy with a focus on delivering effective and impactful HR

The **Investment Expert Group** provides advice and reviews investment performance of third party investment managers (who hold discretionary mandates) bearing in mind the risk profile and mandate of medium risk with an emphasis on capital growth with income.

The **IT Expert Group** provides advice and guidance on the strategic direction of the organisations digital infrastructure capabilities and advises on the introduction/development of applications that can be utilised throughout the organisation, specifically targeting the provision of services to end users,

The President's Forum

A President's Forum, under the Chairmanship of Jewish Care's President, The Lord Levy, meets at least once a year. The Forum's aim is to provide an opportunity for the discussion of major policy items, with representatives from the community and give structured input to Jewish Care's strategic planning at a formative stage. The membership of the Forum is made up of past Board members, key people previously involved in Jewish Care, business and community leaders, new and rising younger businesses and lay people who are actively involved in the community, a cross-section of representatives from all areas in which Jewish Care is involved and lay representatives from all synagogue movements. The Chairman and the Chief Executive also attend meetings and members of the Board of Trustees are invited to attend.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT CONT'D

Public Benefit

The Trustees have considered the requirements of the Charities Act 2011 and have satisfied themselves that they have complied with their duty to have regard to the Public Benefit guidance published by the Charity Commission. The activities and achievements of Jewish Care are outlined throughout this report and review, and fully demonstrate that the charity is providing public benefit.

Access to Jewish Care's services is by need and not by the ability to pay. Clients are asked to make a contribution towards the cost of the service they use, which itself is often heavily subsidised. Clients are not refused a service if they cannot pay. The cost may then be reduced or waived altogether, depending on their circumstances. This funding gap is subsidised by donations from the community.

Clients are not refused access to a care home if their family is unable to pay the requested third party/family contribution. Barnet continue to pay an agreed 5% increase on rates for all care services provided by Jewish Care to residents of Barnet, this takes into account our culturally specific service. Fee assistance (to meet the gap between the cost of care and the rate paid by the local authority for residents) is provided by Jewish Care in appropriate cases after assessing the needs and means of applicants, their families and any further contribution from the local authority.

Jewish Care's day centres are subsidised by voluntary donations which enable entrance fees to be kept lower than they would otherwise be. Some beneficiaries of services, such as carer's support and social work, are not required to pay a fee. There is no geographic restriction to people using the services, however most are based in or around London and the South East. Jewish communities living in these areas are those benefiting most from them. The various services available are advertised to the public through Jewish Care's website (www.jewishcare.org) as well as in local papers, the Jewish press and in a large number of synagogue magazines.

Governance Review

A wide ranging governance review is underway that will encompass a review of our memorandum and articles, board structure and make up and committee structures in tandem with the development of the new vision for the future of care (2019-2025). This review will also embrace the recommendations of the Charity Governance Code and its 7 principles of leadership, integrity, decision making risk and control, board effectiveness, diversity, openness and accountability.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Key Management Personnel: Trustee Board

Trustees (who are also company Directors of the Charity)

Steven Lewis (Chair)
Rachel Anticoni
Julia Bekhor (appointed November 2018)
Michael Blake (resigned November 2018)
Linda Bogod
Michael Brodtman
Adam Dawson (appointed November 2018)
Graham Edwards (Treasurer – appointed November 2018)
Debra Fox (resigned November 2018)
Simon Friend
Harold Gittlemon (appointed November 2018)
Antony Grossman (resigned November 2018)
Gayle Klein
Douglas Krikler
Lord Ian Livingston
Nicola Loftus
Dr Dean Noimark
Stuart Roden
Arnold Wagner OBE (Vice Chair)
Matthew Weiner

The Group has maintained insurance cover for the benefit of its Trustees, Directors and Officers against any liability incurred by them in carrying out their duties in such capacities. The premium paid in respect of such insurance was £7,840 (2017/18 £8,120).

Key Management Personnel: Executive Leadership Team

Daniel Carmel-Brown	Chief Executive Officer (commenced March 2018)
Andrew Hope	Chief Operating Officer (Finance, IT & Property) (appointed July 2018)
Adam Overlander-Kaye	Director of Fundraising & Community Engagement (appointed October 2018)
Ellisa Estrin	Director of Marketing, Communications & Customer Engagement (appointed August 2018)
Angela Beerman	Director of Human Resources & Organisational Development (appointed November 2018)
Gaby Wills	Director of Care Services (acting from July 2018, appointed December 2018)
Angela Murphy	Director of Community Services (acting from July 2018, appointed December 2018)
Jonathan West	General Counsel & Company Secretary (appointed July 2018)

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Committees of the Board cont'd:

Trustee Membership of Committees of the Board and Expert Groups (a full list of both Trustee and non-Trustee members are available in the annual review):

Nominations & Remuneration Committee	Patrons Committee
Steven Lewis (Chair)	Linda Bogod (Chair)
Simon Friend	Harold Gittelmon
Stuart Roden	Steven Lewis
Arnold Wagner OBE	Nicola Loftus
Audit & Risk Committee	Property Expert Group
Julia Bekhor (Chair)	Michael Brodtman (Chair)
Graham Edwards	Matthew Weiner
Clinical Governance Committee	Human Resources
Rachel Anticoni (Chair)	Arnold Wagner OBE (Chair)
Dr Dean Noimark	
Community Services Expert Group	Information Technology
Simon Friend (Chair)	Michael Blake (Chair) – Director
Gayle Klein	of Community Trading Ltd
Investment Expert Group	
Stuart Roden (Chair)	

Pay and Remuneration Policy for Key Management Personnel

The Trustees consider the Executive Leadership Team as the key management personnel of the Charity in charge of directing, controlling, running and operating the Charity on a day to day basis. In determining the remuneration policy for key management personnel, consideration is given to pay staff at a level where they are motivated to enhance the organisation, their individual performance and quality of care in line with our objectives and strategy, notwithstanding the Charity's ability to pay. The aim is to pay staff within the median to upper quartile of salaries within the UK and charity care sector so that we are competitive in relevant markets but not to compete on pay with the public or private sectors. None of the Jewish Care Trustees received any remuneration or expenses from their work associated with the Charity.

The President's Forum

A President's Forum, under the Chairmanship of Jewish Care's President, The Lord Levy, meets at least once a year. The Forum's aim is to provide an opportunity for the discussion of major policy items, with representatives from the community and give structured input to Jewish Care's strategic planning at a formative stage. The membership of the Forum is made up of past Board members, key people previously involved in Jewish Care, business and community leaders, new and rising younger businesses and lay people who are actively involved in the community, a cross-section of representatives from all areas in which Jewish Care is involved and lay representatives from all synagogue movements. The Chairman and the Chief Executive also attend meetings and members of the Board of Trustees are invited to attend.

JEWISH CARE

4. STRATEGIC REVIEW – AIMS, ACHIEVEMENTS AND PERFORMANCE - COMMUNITY SERVICES, CARE, COMMUNITY DEVELOPMENT AND VOLUNTEERS

What we said we would achieve in 2018/19

Focus on developing our new services within new facilities. We will be aiming for maximum occupancy in our new schemes, the new Anita Dorfman House care home, and the Wolfson Assisted Living apartments, both at our Sandringham campus at Harrow and our new Independent Living scheme, Wohl Court at Hendon.

Engage with the community about their views on ageing well and how Jewish Care can support them now and in the future. By 2019 we will have spoken in depth with the communities in Redbridge, Herts and Southend to help us plan the future.

What we achieved

In February 2019, we were delighted to welcome our first tenants to Wohl Court, our brand-new Independent Living scheme in Hendon with 32 1 & 2 bedroomed apartments and a brand-new community of people living and enjoying the facilities and services available to them.

Over 40 residents from the Princess Alexandra Home, moved to Anita Dorfman House together with staff at the beginning of May. Following a few weeks of settling in, new residents are joining the existing community. We are now focusing on interest in the Wolfson Assisted Living flats on the top of the home and the aim is to see the home fully occupied by the end of the Autumn of 2019.

The Community services team were delighted to speak to over 200 people individually and in groups. The purpose was to hear their views about ageing, the role Jewish Care and community services plays in supporting them and their families and their aspirations and concerns for the future. The communities across Essex, Herts, North London and East London were keen to tell us their experiences. In summary they expressed 7 key principals that they wanted at the heart of support for them in the future.

1. To continue to have a sense of purpose and to do something valuable with their time.
2. To maintain and build strong social connections and meaningful relationships.
3. To maintain their curiosity, interest and be mindful and contribute to what is going on around them
4. To keep learning, ensuring their mind is active and open to learning new things every day
5. To maintain their physical health and to remain as physically active as they are able to be.
6. To contribute and participate in their wider community and the world around them
7. To give back, make a difference to other people through volunteering or simply sharing wisdom.

Community services look forward to planning for the future and ensuring that these 7 key principals are at the heart of what we are and will do.

JEWISH CARE

4. STRATEGIC REVIEW – AIMS, ACHIEVEMENTS AND PERFORMANCE - COMMUNITY SERVICES, CARE, COMMUNITY DEVELOPMENT AND VOLUNTEERS CONT'D

What we said we would achieve in 2018/19

Continue to develop our preventative strategy to strengthen those services that support people to build their personal networks. We will do that by:

1. Increasing our work with local synagogues to build their capacity to support their community;
2. Providing social work services in our resources, so that families have easier access to support; and increasing our outreach programmes such as tea parties, memory matters cafés and conversation cafés, to help people build sustainable, local relationships and support networks

What we achieved

We have continued to develop our work within the community, strengthening local networks, enabling people to build and grow their personal networks, sharing information and educating the community on the challenges and opportunities of ageing. Our Goal remains to support people both in our building and in locations closer to where people live.

Our social work teams now provide supervision to 4 synagogue social workers across London. Support with groups including the carers lounge at Woodford Forest synagogue, co-facilitate with a men's group in Hackney and provide drop in information and advice across London in Jewish Care's centres and beyond. Education and partnership are key themes, and we are delighted to be chairing the Patient Engagement Group of Last Phase of Life Barnet collaboration; working with Age UK, Barnet Carers, Barnet Alzheimer's, Barnet Healthwatch, Barnet CCG, Advocacy in Barnet, North London Hospice and Multi Faith Forum.

Our Community Dementia Project supports Synagogue Communities and continues to go from strength to strength with 6 Memory Way Café's and Singing for Memory programmes across London in the following synagogues.

1. The Liberal Jewish Synagogue - St John's Wood
2. Edgware And Hendon Reform Synagogue
3. Finchley Reform Synagogue
4. Woodford Forest United Synagogue
5. North West Surrey Reform Synagogue
6. Cockfosters and New Southgate Synagogue

Support for Holocaust survivors continues to evolve to meet the changing needs of our older survivors. We now support conversation cafes across London hosted by volunteers with 3 in Edgware, 4 in Hampstead, 2 in Finchley, 1 in Essex and a further 6 in North Barnet/Hertfordshire.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS, ACHIEVEMENTS AND PERFORMANCE - COMMUNITY SERVICES, CARE, COMMUNITY DEVELOPMENT AND VOLUNTEERS CONT'D

What we said we would achieve in 2018/19

Further improve the way in which people experience our services, which we will demonstrate through an increased positive ratio of compliments to complaints. We will share learning from complaints and incidents and implement actions to increase quality and prevent recurrence. We will aim for all our CQC and Ofsted regulated services to achieve "Good" as a minimum on inspection.

Review our services continuously to ensure we remain competitive and attractive to potential clients and relevant to their needs and, by doing so, maximize occupancy and income whilst managing costs.

What we achieved

The latter months of the year were dedicated to improving practice quality and compliance. A more rigorous auditing programme, including 'mock inspections', an enhanced team of senior managers conducting provider visits, and a more systematic way of sharing learning from incidents and feedback have all been introduced. Much of this is guided and led by the Best Practice and Compliance Support team. Activities to ensure a comprehensive approach to Safeguarding across the organisation are having a positive impact on the awareness and understanding of safeguarding.

Arts and enablement initiatives including the implementation of Montessori principles are engaging residents in a more meaningful way and encouraging interactions and independence.

To date, all homes have been rated 'good' overall.

Following a review of the care homes provision, a decision was taken to close Rubens House. The leading factors were the fabric and layout of the home, which would have become inadequate for the provision of quality and safe care.

The decision was supported by the ongoing staff and resident vacancies, across the homes, and the existence of five other Jewish Care homes in the vicinity. To date, all staff bar one and all residents have been retained within Jewish Care services.

We have also seen the introduction of Wolfson Assisted Living as a new service added to Jewish Care's portfolio of services. In addition, Anita Dorfman House now provides care for people with dementia, which was not provided at the Princess Alexandra Home previously located on this site.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS, ACHIEVEMENTS AND PERFORMANCE - COMMUNITY SERVICES, CARE, COMMUNITY DEVELOPMENT AND VOLUNTEERS CONT'D

What we said we would achieve in 2018/19

Focus on reducing staff vacancies in care homes and homecare. We will also ensure the leaders in frontline services have access to a leadership and management programme.

Improve our services by adopting appropriate digital technology in line with our organisational digital strategy. By the end of the year we will have electronic care plans in all our care homes and the homecare operational delivery will be fully automated on our new rostering system. We will aim to increase our use of data collected through digital technology and systems in line with GDPR.

What we achieved

Several initiatives were introduced to reduce staff vacancies.

These include:

1. A number of secondments giving staff the opportunity to experience new roles and areas of work, thus developing and growing their skills.
2. Launching an accredited leadership and management programme for registered managers.
3. Introducing enhanced pay and benefits.

Electronic care plans have been successfully implemented in all eleven of our care homes. An evaluation of the project shows it has had a very positive impact as reported by 260 staff, regarding the quality of care, record keeping and enhanced digital capabilities of individuals.

A pilot of electronic medication administration records is underway.

In addition, electronic rostering and billing has been successfully implemented across the homecare teams, reducing time spent on administration both when staff are supporting people in the community and in back office administration. We are now recording all attendance at our day centres electronically with staff supporting members as they arrive with iPads, enhancing and modernising our offer for the community whilst being more interactive.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS, ACHIEVEMENTS AND PERFORMANCE - COMMUNITY SERVICES, CARE, COMMUNITY DEVELOPMENT AND VOLUNTEERS CONT'D

Future Aims 2019/20:

We will be aiming for high level occupancy in our new schemes, Wohl Court in Hendon which opened in February 2019 and the new Anita Dorfman House care home, opened in May 2019. We will continue to aspire for a new campus in the Redbridge area, planning for care and community support to meet the communities needs in East London and Essex for the future older generation there. Following the closure of Rubens House, our care homes will aim to maintain high occupancy levels and continue to develop services that attract the community. We will monitor the demand for new introduced services such as the new assisted living service at Anita Dorfman's Wohl Assisted Living, the residential facility at Lady Sarah Cohen House. We will also monitor the demand for lower fee placements at Clore Manor.

We will modernise our community centres offering within the centres where they exist. We will do that by improving programmes and partnerships and encouraging our partners to reach in and see our centres as a hub within which we can continue to progress our living and ageing well agenda.

We will also continue to reach out beyond our centres, developing our preventative strategy to strengthen those services that support people to build their personal networks. We will do that by:

1. increasing our work with local synagogues to build their capacity to support their community
2. providing social work services in our resources, so that families have easier access to support
3. increasing our outreach programmes such as tea parties, memory matters cafés and conversation cafés, to help people build sustainable, local relationships and support networks.

We will continue to improve the way in which people experience their engagement with Jewish Care and its services, which we will demonstrate through an improved positive ratio of compliments to complaints. We will share learning from complaints and incidents and implement actions to increase quality and prevent recurrence.

We will aim for all our CQC and Ofsted regulated services to achieve an overall rating of "Good" as a minimum on inspection, whilst aspiring to achieve 'outstanding'. We are positive that changes to the admission process, proposed changes to family contribution and the appointment of a Care Homes Assessor and Stakeholder Engagement Manager will support more positive experiences. The creation of Best Practice and Compliance support, will enable us to create a consistency of quality through learning.

We will focus our efforts on a more effective deployment of staff in our care homes and home care in order to maximise the impact on service delivery. This will be achieved through being responsive and agile in recruitment aiming at reducing the turnover of new staff (within the first year of appointment). We will also focus on developing our succession framework by identifying and supporting the development of our future managers and leaders. We will develop more comprehensive ways of acknowledging and rewarding achievements and good practice and other ways in which we can increase our staffs' commitment and engagement with the organisation.

We will continue to build on our successes, enhancing our digital capabilities in order to improve our knowledge, practice and the experience of our stakeholders in our work. In the care homes we will explore engaging with external agencies who will help us to harness the large data collected via the electronic care plans to guide practice and wellbeing improvements. We will also seek to improve management use of the electronic care plans and roll out electronic medication administration system. In Community services we will continue to explore the opportunities of assistive technology in aspects of service delivery with a focus on the new Independent Living developments both in Wohl Court in Hendon and Pears Court in Sandringham.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE - STAFF

What we said we would achieve in 2018/19

What we achieved

Develop a new people strategy and plan incorporating the results of the staff survey to be conducted in September 2018.

A strategy was put in place and staff survey actions confirmed with progress being monitored.

Recruit, onboard and develop a new senior leadership team following the appointment of the new CEO.

We successfully recruited a new leadership team promoting 5 employees and appointing 2 external candidates.

Communicate and implement the new pay and benefits strategy and policy to all staff throughout the organisation.

A strategy was developed and shared with senior leaders however, in view of the senior leadership changes, this was not cascaded further.

Review the Human Resources, Applicant Tracking and Learning Management Information Systems in the light of the organisational IT strategy and make recommendations.

The Applicant Tracking and Learning Management Information Systems have been reviewed and developed. It was agreed with IT colleagues that it would be beneficial to improve the current data integrity and systems in the short-term and re-visit options for the longer term once a new system had been rolled out across Finance.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE - STAFF CONT'D

Additional Achievements

We have reviewed our HR structure and recruited a Head of Resourcing and created a new role of Head of Talent. These posts will ensure we continue to drive recruitment as a key priority and build a better pipeline of candidates for our future needs. We have also started to work in partnership with Reed to provide all our agency workers which will help us reduce costs and provide a bigger pool of quality applicants.

We continue to address pay for the lower paid front line workers. This year we gave this group a 4 % increase double that given to staff in management or support service roles. We have introduced enhanced rates for overtime and Bank Holidays. We maintain a good differential in relation to the National Minimum Wage.

Future Aims 2019/20:

As part of our HR strategy we will;

1. Review reward and recognition. We look forward to launching a revised Staff Awards event to celebrate many staff successes across Jewish Care.
2. Introduce Workplace (Facebook for employers) to improve our ability to be able to directly communicate and engage with our staff, hearing their voices in real time.
3. Working in partnership with Reed to reduce our agency spend
4. Reduce our vacancies and improve our staff retention
5. Support our staff to develop their skills
6. Through our people provide great customer service
7. Update the policy on treating our staff with respect and agree a code of conduct with family and visitors

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE – FUNDRAISING & COMMUNITY ENGAGEMENT

Fundraising approach and performance

Jewish Care undertakes fundraising activity to achieve both revenue and capital projects income. Jewish Care is a member of the Fundraising Regulator and adheres to the Fundraising Code of Practice. Jewish Care also holds organisational membership of the Institute of Fundraising.

Income is achieved from the community and existing Jewish Care supporters via a number of channels; donations, direct mail, challenge events, special events, supporters who raise income on behalf of Jewish Care, gifts in wills and a major gifts programme. Jewish Care does not use any third party fundraising organisations.

By being members of the Fundraising Regulator Jewish Care adheres to the Fundraising Promise which outlines the commitment we make to our donors and the public. Fundraising matters for Jewish Care are overseen by the Campaign Oversight Group. We ensure our fundraising is legal, open, honest and respectful: -

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

Jewish Care's fundraising activity also complies with the Data Protection Act 2018 and General Data Protection Regulations (GDPR). Jewish Care sends communications via mail, email and by the use of social media and advertising. Consent is obtained where required and recorded. All information is stored securely. Supporters are aware of their rights, are in control of the information they share with us and are able to change the way they hear from Jewish Care at any time.

Jewish Care records complaints as defined by the current Annual Complaints Return as previously set out by the Fundraising Regulator (FR). In 2018/19 Jewish Care received 23 complaints all of which were recorded and acted upon. All complaints were promptly resolved by Jewish Care and the complainants were satisfied with the results. It was not deemed necessary to escalate any fundraising complaints to the Fundraising Regulator at this time, however Jewish Care advised one complainant to inform a fundraising process carried out by Marks & Spencer (M & S) to the Fundraising Regulator. This was resolved by M&S and the FR and Jewish Care were informed of the decision. All complaints will be recorded in the annual complaints return once a new process has been established by the Fundraising Regulator in 2019/20.

Initial recommendations from a fundraising strategy review gained Board approval in November 2018.

In October 2018 the Fundraising and Marketing Department became the Fundraising and Community Engagement Department to include Volunteering and Community Engagement. This move reflected a change in emphasis on seeing our supporters as those who give financially and who also give their time (and often both). We recognise that the time given by those that volunteer enables Jewish Care to carry out various functions that would otherwise be unaffordable to the organisation.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE – FUNDRAISING & COMMUNITY ENGAGEMENT CONT'D

What we said we would achieve in 2018/19	What we achieved
Maintain revenue fundraising income at £15.6 million	Our revenue fundraising income totalled £17.5 million exceeding our overall target by 12% largely due to the legacy income we received. Our legacy fundraising strategy has supported this increase to a critical funding source and helped bridge the gap in the major gifts target.
Maintain legacy income at £4 million. To build a new marketing campaign centring on the newly launched wills scheme, and the growth of our digital activity.	Legacy income was £5.3m. A marketing campaign ran in November 2018 focussing on the Free Wills Scheme, and 3 new legacy films were created and used in conjunction with this campaign.
Secure £9.2 million in donations from major gifts income.	Our Major Gifts income fell short of target with an income of £8.3 million against a budget target of £9.2 million. This continues to reflect the increasingly challenging environment in which we operate.
Create a comprehensive plan to implement Fundraising strategy following presentation and approval by the Trustee Board.	The Board gave approval to the Strategy proposal in November 2018. This is still in progress and will be brought back to the Board by March 2020.
Secure £1.85 million from events and general donations.	Events and donations finished at £2.3m
Migrate current fundraising and legacy CRM (Customer Relationship Management system) from ThankQ to Raisers Edge (fundraising) and First Class (legacy) to increase efficiency and improve the journey and experience of our supporters.	The fundraising data was successfully migrated to Raisers Edge NXT. Legacy data will move to First Class in Autumn 2019.
Implement data procedures and processes to secure use of personal information and to inform our supporters of a revised privacy notice in line with the latest Data Protection and GDPR regulations.	Jewish Care secured Board approval for the use of legitimate interests, where appropriate, for marketing purposes in March 2018. A GDPR compliant Privacy Notice was sent to fundraising supporters and volunteers in June 2018 informing supporters of their rights and how Jewish Care will communicate with them.
To create and implement a new media strategy with a focus on promoting our services digitally	A new media strategy was created with much more focus and spend being invested into promoting our services (particularly our new services; Anita Dorfman House, Wolfson Assisted Living and Wohl Court).70% of our offline media activity is now service focused with 30% focusing on our fundraising. Digitally 90% of our digital media content is now service focused to hold up a mirror to the positive difference Jewish Care makes to people' s lives.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE – FUNDRAISING & COMMUNITY ENGAGEMENT CONT'D

What we said we would achieve in 2018/19

What we achieved

To create and implement a marketing strategy focusing on the Hertfordshire and surrounding area in line with the development of our services and new care campus at Sandringham in Harrow.

A Marketing and communications strategy was created and is currently being implemented with a focus on connecting people to Jewish Care services local to people in the Hertfordshire area that already exists whilst also promoting Sandringham Phase 1 (Anita Dorfman House and Wolfson Assisted Living) and Phase 2 services to come (Pears Court and The Ronson Family Community Centre) to the Hertfordshire community.

To reposition our marketing strategy around the marketing of our services locally with the view to increasing occupancy/attendance across all our services

The need to prioritise changing the reality and not just the perception of our services to increase occupancy and attendance across our care homes has meant that we have focused on improving our customers experience via the creation of a new admissions process as a strategic response to increasing occupancy with the new admissions process due to go live in October 2019.

The marketing strategy has been revised and implemented with an emphasis on the marketing of our services, which has manifested in the following brand new marketing activity being delivered; 2 new service marketing publications promoting services local to Hertfordshire and Essex. A suite of new care home ads which now feature across 30 synagogue magazines, new Google ads and paid for social media ads that promote our care homes and independent living and a new digital content strategy which heavily promotes all our services through weekly organic posts.

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE – FUNDRAISING & COMMUNITY ENGAGEMENT CONT'D

Future aims:

To maintain total revenue fundraising income at £15.6 million by maintaining the following revenue lines:

To maintain legacy income at £4 million. To create new legacy fundraising strategy including new messaging and approach to be completed by March 2020.

To secure £9 million in donations from major gifts income.

To secure £2.6 million from other events and general donations.

To create a comprehensive plan to implement a new Fundraising strategy following presentation and approval by the Trustee Board.

To continue to implement data procedures and processes to ensure secure use of personal information.

Volunteers Dept

To ensure that every volunteer is registered on the CRM and appropriately checked

To provide a comprehensive Learning and Development package for all volunteers with appropriate training suited to their role (this may be face to face training or online)

To have a robust recruitment process that is accessible to potential volunteers and meets all the requirements for compliance

To ensure that every volunteer is recognised for their contribution and thanked for the time they have given.

To prepare a strategy document to capture and detail all of the above

Community Engagement

To have reviewed and expanded the befriending service

To have begun community programming in or around the Sandringham site

To have a Youth Strategy in place (recruitment of Students, Interns, Lay Leadership Development Group and programmes like the B'nei Mitzvah group)

JEWISH CARE

4. STRATEGIC REVIEW - AIMS ACHIEVEMENTS AND PERFORMANCE – MARKETING, COMMUNICATIONS AND CUSTOMER ENGAGEMENT

Future Aims 2019/20:

In October 2018 the Marketing and Communications Department separated from Fundraising and became the Marketing, Communications and Customer Engagement Department to include the Living with Jewish Care team who oversee all of the organisation's admissions into our care homes and independent living schemes.

This move reflected the need for us to see our services and admissions process integrate better into our marketing function to help improve customer engagement and journeys for our customers whilst ensuring greater marketing support to this business critical area of the organisation.

As part of our Marketing Communications and Customer Engagement strategy for 2019/20 we will;

1. Launch a new organisational brand campaign to help promote awareness focusing on the following key service areas: Care homes, Community Centres, Independent Living and Dementia services, educate and engage stakeholders, social care leaders and the wider community with our new 2019 – 25 organisational strategy
2. Launch our new admissions process to help make admissions into our homes; speedier, more customer focused in order to reduce complaints and bed voids
3. Ensure all of our care home marketing material is compliant with new CMA legislation and regulations
4. Change the way we collect family contributions for those families we charge this to so that it's less intrusive, more customer focused and faster to implement
5. Help improve customer engagement and reduce customer service related complaints across our care homes with the introduction of a new Stakeholders Engagement Manager
6. Improve internal communications and staff engagement with organisational news, updates and messages by launching and overseeing Workplace by Facebook
7. Promote, raise awareness and engage the Hertfordshire community with Phase 2 of Sandringham, which will include; Pears Court and The Ronson Family Community Centre
8. Increase digital growth across our social media channels by 15% and engagement by 10%

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Financial Review

Our Bottom Line

Total charitable activities income for the Group before donations and other income was £33.3m (2017/18 £31.4m) and total charitable expenditure before depreciation was £49.6m (2017/18 £47.5m) resulting in a net operating loss before donations and other income of £16.3m (2017/18 net loss of £16.1m). See further analysis on page 28. This net operating loss before donations and other income highlights the importance of our voluntary income to support the provision of our day to today services and also to support innovation with the development of our new services, all of this with a view to financial sustainability in light of economic and demographic pressures on voluntary donations.

Our Income

Our income comes from a range of sources. The principal funding sources for 2018/19 are charitable activities income, donations, legacies, investment income, property disposal proceeds and capital project donations. Total income from all principal funding sources was £61.5m (2017/18 £63.7m) which represents a 3% decrease on the prior year.

Charitable activities income was £33.3m in 2018/19 (2017/18 £31.4m). This funding source consists of local authority and private residential fees, grant income, independent living rental income and day centre attendance income. Year on year the increase in frailty levels sees a rise in demand for one to one residential and nursing care, funding of which is covered by local authority and private income. Residential fees are payable by local authorities for individuals who live in their borough whom they must fund. Any gaps between the local authority funding received and the costs of care we provide need to be met by donations.

Donations were £12.2m (2017/18 £11.9m) representing a 3% increase, demographic pressures on this income stream remain a challenge.

Legacy income was £5.3m (2017/18 £6.1m) down 13% on the prior year. The volatile nature of this income stream is supported by a legacy strategy to increase pledges and to generate an internal awareness of the importance and impact of gifts in wills to Jewish Care's work.

Capital project donations were £8m (2017/18 £7.1m). This funding source consists of capital donations applied directly to our capital construction projects. The majority of the capital project funding received during the year was towards the construction of the Sandringham site at Stanmore. Expenditure on each of these capital construction projects is capitalised into their respective fixed asset categories in the balance sheet. The phased nature of this funding stream beyond respective project completion dates dictates the use of commercial facilities to bridge the gap between capital funding receipts and intensive cash-outflows during construction periods.

Property Disposals represent the net disposal proceeds (£65k) from the sale of two of the donated investment properties. The donated properties relate to a portfolio of properties gifted to Jewish Care in November 2018. The prior year saw the disposal of the Brenner Centre in Stamford Hill (£2017/18 £6.1m).

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Financial Review cont'd

Further analysis of the Group Charitable Activities (Operations) is as set out below:

	2019	2018
	£' 000	£' 000
Charitable income and expenditure		
Charitable activities income ¹	33,307	31,364
Charitable expenditure before depreciation and asset write offs ²	(49,623)	(47,452)
Operating charitable loss before donations	(16,316)	(16,088)
Other operational expenditure		
Fundraising	(3,506)	(3,329)
Investment fees & other investment related costs	(218)	(89)
Depreciation	(2,984)	(2,919)
Total other operational expenditure	(6,708)	(6,337)
Asset write offs	-	(2,022)
Net operating loss before donations and other income	(23,024)	(24,447)
Income from donations and investments		
Donations and legacies (excluding capital project donations)	18,839	17,954
Other trading entities	155	134
Investments income	1,145	1,107
Total income from donations and investments	20,139	19,195
Net operating (loss)	(2,885)	(5,252)
Net unrealised gains on investments	1,626	1,073
Property Disposals	65	6,110
Capital project donations		
Sandringham	6,866	5,671
Wohl Court	917	1,330
Maurice and Vivienne Wohl Campus	20	60
Leila's House (JAMI)	177	-
Total capital project donations	7,980	7,061
Actuarial gain/(loss) on defined benefit pension scheme	336	(112)
Net movement in funds	7,122	8,880

1. Charitable activities income consists of local authority and private residential fees, grant income, independent living rental income and day centre attendance income.

2. Charitable activities expenditure in our Care Homes, Day Centres, Home Care, Independent Living and Mental Health services (note 7)

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Financial Review cont'd

Our Expenditure (note 7)

Expenditure on our charitable activities (including depreciation of £2.5m) for our Care Homes, Day Centres, Home Care, Independent Living and Mental Health resources was £52.6m (2017/18 £50.4m). We see high agency usage and recruitment costs on a par with the prior year with continued sector wide recruitment challenges. The majority of the increase in expenditure in the year related to upgrade works on our entire estate continuing in line with our building condition review survey and our property development strategy in terms of delivering more fit for purpose, safe, sustainable and efficient services.

Charitable expenditure in our Care Homes was £35m (2017/18 £33.5m). Sector wide recruitment challenges have impacted the annual expenditure in our Care Homes with high agency costs and recruitment fees. Upgrade works in our Care Homes represent the majority of the increase in expenditure over the prior year.

Charitable expenditure in our Day Centres was £6.8m (2017/18 £7.1m). There were some cost efficiencies in 2018/19 as the prior year saw the closure of the Brenner Centre in Stamford Hill after a decline in demand for its services. A more efficient re-provisioning of services now operates out of a communal hub at our Day Centre in Stepney.

Charitable expenditure in our Home Care service was £1.2m (2017/18 £1.3m). The majority of the expenditure is staff costs that fluctuate with demand for the service and the hours of care delivered.

Charitable expenditure in our Independent Living service was £3.6m (2017/18 £2.9m). Wohl Court (Hendon), our second Independent Living scheme of 32 units, opened in February 2019 alongside our 45 units of Independent Living (Selig Court) in Golders Green. Our third Independent Living scheme of 48 units, Pears Court in Stanmore, starts construction in the Summer of 2019.

Charitable expenditure in our Social Work service was £2.2m (2017/18 £2.1m). Our social work service supports individuals, families, carers and communities and also plays a pivotable role in our care home and service admission process. The Social work service does not attract any funding with the costs of this service being met in their entirety by donations.

Charitable expenditure in our Mental Health service was £1.8m (2017/18 £1.4m) reflecting the cost of the integrated mental health service provided by the Jewish Association for Mental Illness (JAMI). 2018/19 saw the addition of a new hub location in Stoke Newington and the development of services to support the individual needs of people along their journey towards independence and social inclusion.

Central costs are £5.1m (2017/18 £5m). Central costs are allocated to activities based on the number of full time equivalents at Jewish Care. Our central costs are at a level that is consistent with the requirement for the effective running of a Charity of our size.

Asset write offs in the prior year related in part to the full write down of the former Care Home Ella and Ridley Jacobs House following its demolition prior to the development of the Independent Living site, Wohl Court at Hendon and the write down of 50% of the former Princess Alexandra Care Home following its partial demolition prior to the current development of the Care Campus, Sandringham at Stanmore.

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Financial Review cont'd

Our Expenditure cont'd

Investment Management fees are £185k (2017/18 £89k). The prior year saw the reversal of a prior year accrual.

Marketing and fundraising costs are £3.5m (2017/18 £3.3m) with more events in 2018/19 compared to the prior year.

Defined Benefit Pension Scheme

The pension scheme liabilities have been calculated by updating the valuation calculations carried out for the formal actuarial valuation as at 1 April 2016. The deficit at the 31 March 2019 under FRS102 is £14.6m (2017/18 £15.7m) further details can be found in the pension's note 27. In recognition of this level of pension deficit for Jewish Care, the investment strategy approved by the Pension Trustees and Jewish Care along with a collateral security arrangement in order to reduce the charity's exposure to any potential deterioration in the future continues. The annual contributions to the scheme from Jewish Care continue at the level of £1.5m with the agreement of the Pension Trustees. This elevated level of pension contributions and revised investment strategy are closely monitored by the schemes actuaries to ensure that the deficit is fully repaid over the target period of 10-15 years.

Investment Objectives, Powers and Performance

Jewish Care's investment powers are set out in its Memorandum of Association, which states that Jewish Care shall have the power: *"To invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities real or personal property as may be thought fit."*

At the year end, the market value of the Jewish Care Groups investments was £29.3m (2017/18 £26.9m). There were net gains on the investment portfolio of £1.6m (2017/18: gains of £1.1m). Investments were managed equally by Veritas Investment Management LLP and Quilter Cheviot Ltd. The key investment objective for both Managers is to achieve an absolute return of inflation plus 3% over the medium term 3 - 5 years with Veritas Investment Management achieving a one year total return of 6.04% and Quilter Cheviot achieving a one year total return of 8.4% in the year ended 31 March 2019. The risk profile and mandate for both Investment Managers is medium risk with an emphasis on capital growth with income. Performance is monitored by the Investment Expert Group.

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Ethical Investments

Jewish Care takes all reasonable steps to ensure that any decisions taken in respect of its corporate investments are consistent with its social care policies

Taxation

Jewish Care and its subsidiary charitable entities are exempt from income tax and corporation tax on its charitable activities. Jewish Care's trading subsidiary and other related trading subsidiaries are liable to United Kingdom corporation tax where they have taxable profits. Like most charities, Jewish Care is unable to reclaim much of its input VAT and suffers it as an expense. All irrecoverable VAT is included within the appropriate expenditure headings.

Employment Policy

Jewish Care is committed to establishing equality of opportunity for all staff and volunteers. It is the policy of Jewish Care that there should be no unfair discrimination in considering applications for employment, including those from disabled persons. The directors are committed to maintaining and developing communication and consultation procedures with employees who, in turn, are encouraged to become aware of and involve themselves in the performance of the Charity.

Gender Pay Gap

Jewish Care's values are at the heart of everything we do and we are committed and proud of our diverse and inclusive organisation where people are treated fairly with dignity and respect. Jewish Care publishes its gender pay gap and at 10.1% it is significantly lower than the UK average of 17.4%. Gender pay gaps are caused by many factors, the main one of which is reflected in the upper quartile where there are more men in more senior roles in the organisation, adjusting for this the gender pay gap is less than 1.5%. It should be noted that in 2019 our senior management team changed extensively and there is now a significant improvement in the gender balance, that being said our work to address the pay gap continues and our actions to address it are set out as follows:

- We will be open and transparent with our staff regarding our pay gap.
- Recruitment and internal promotion opportunities will continue to be equally open to men and women.
- We will continue to promote our coaching and mentoring programme to encourage all staff to develop their careers.

Modern Slavery and Human Trafficking

Jewish Care is committed to eliminating the existence or prospect of modern day slavery and human trafficking within its own business and that of its supply chain. The Board of Trustees, and Executive Leadership team are responsible for assessing and bolstering Jewish Care's effectiveness, in ensuring that slavery and human trafficking are not taking place in its business or supply chains. They do so by providing adequate resources, training and investment. Jewish Care's performance is measured annually, members of staff responsible for procurement are required to complete courses with respect to modern slavery capacity building and reporting/etc. More information is available in our Anti Slavery and Human Trafficking statement published in April 2019.

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Risk Policy

The Audit and Risk Committee ensures a risk assessment review is undertaken and that all key risks are identified, reported to the Board and suitable controls are implemented. The Chief Executive reports all significant risks and the risk register to the Audit and Risk Committee on a regular basis. Jewish Care identifies and manages risks that endanger the achievement of the strategic aims as defined in its Memorandum and Articles of Association and its published Vision and Mission. Five of the principal risks and uncertainties faced by the organisation this year and in future years with their risk control measures are:

- Loss of income due to the decline and volatility of our voluntary donation income and legacy income with increased economic pressures, regulatory changes, demographic changes within the Jewish community and changes in giving habits resulting in an increased or unsustainable deficit. Risk control measures consist of a strategic review of our fundraising strategy in 2018/19 to evolve and sustain the income portfolio with the implementation of recommendations therein to include plans for sustainability and diversification of the income portfolio with a reduced dependency on voluntary and legacy income for budgetary purposes.
- Loss of income for services from local authorities for statutory funded people arising from a reduction in referrals or loss of contracts. Risk control measures include active marketing and engagement with local authorities and statutory authorities to ensure continuous awareness of our services and a constant review of our service provision in partnership with the local authorities and statutory funders to ensure the optimum capacity of resources and nursing.
- Inability to continue our capital development programme and the requirement to deliver projects on time, on budget and ahead of funding due to the phased nature of our capital pledge redemptions. Risk control measures consist of robust tendering processes, project management overseen by the Property Expert Group and Community Trading Limited, projects only being given authorisation by the Board of Trustees once a minimum of 75% of donated income has been received and the use of bridging and term loan facilities to manage the phased nature of the capital pledge redemptions.
- Incidents that damage reputation and or negatively impact on operations including a major client or litigation incident. Risk control measures consist of safeguarding policies and procedures, proactive monitoring and reporting of potential incidents, comprehensive risk assessments, training and oversight by our Clinical Governance Committee, a Sub-Committee of the Board. This would also include a breach of GDPR or an investigation by the ICO. Risk control measures consist of staff training on data protection principles and security with oversight by Information Governance.
- Inability to continue the recruitment of appropriately skilled staff, retention and development. Risk control measures include an onboarding process, close monthly monitoring of staff turnover statistics, targeted recruitment campaigns, a robust and accessible training programme, succession planning and agreements with agencies for the supply of temporary staff.

Our Internal Audit function presents an internal audit plan to the Audit and Risk Committee at the beginning of each financial year. The internal audit plan cuts across services, with audits selected for review based on the risks with high net risk scores taken from departmental risk registers. Internal audit reviews and recommendations are presented to the Audit and Risk Committee upon completion that also includes management responses. Business Continuity and Disaster Recovery plans continue to be reviewed and updated at an organisational and departmental/service level. Plans are tested and reported to the Audit and Risk Committee.

JEWISH CARE

4. STRATEGIC REVIEW CONT'D

Reserves Policy and Going Concern

Jewish Care's reserves policy focuses on the level of its free (general) reserves, excluding restricted, designated and the pension reserve. The pension reserve is excluded as plans are in place to reduce the Charity's risk regarding any potential future deterioration of the current deficit. Tangible fixed assets are considered designated, as they do not represent free reserves. In planning and budgeting for its activities, Jewish Care considers the level of free reserves held, in order to strike a balance between the continuing development of its services for clients and the need for prudent management of its commitments, as well as providing for contingencies. The Audit and Risk Committee (a sub-committee of the Jewish Care Board) monitors Jewish Care's performance against budget, recommending action to bridge any gap in reserves as and if necessary. Jewish Care uses its budget setting process each year to manage its reserves in the medium term in accordance with its reserves policy level. Jewish Care retains free reserves in order to:

- manage the risks to which it is exposed;
- finance future plans in line with its aims and strategic vision; and
- safeguard activities funded by volatile voluntary income streams.

The approved 2018/19 reserves policy considers that a level of £21.3m (represents approximately 5 months of expenditure) of free reserves to be appropriate to meet its needs, the reserves policy is updated and approved by the Audit and Risk Committee and the Trustee Board on an annual basis. The approach adopted by Jewish Care to develop its reserves policy is the "risk identification approach" recommended by the Charity Commission. It consists of an understanding of the income streams and their risk profile, the degree of commitment to expenditure and the overall risk environment in which the Charity operates.

Reserves (Funds) at the 31 March 2019:

Endowment reserves were £16.7m (2017/18 £16.4m) and represent the value of endowments to provide support to the general objectives of Jewish Care.

Restricted reserves were £3.4m (2017/18 £3.4m) and are spent in accordance with the conditions of the donors/funders. Please refer to note 21 in the financial statements for further details.

Designated reserves were £101m (2017/18 £96.2m) and represent the value of the functional tangible fixed assets of the organisation namely the homes, day centres and independent living sites from which Jewish Care operates its services and the net long term loan facilities used to fund both the construction of the Maurice and Vivienne Wohl Campus and Wohl Court at Hendon.

General reserves before the pension deficit were £24.2m (2017/18 £23.4m) and are in line with the target of free reserves set at £21.6m. Jewish Care considers the level of general reserves in 2019 as appropriate, meeting the requirement for prudent management of its commitments in light of its on-going capital project strategy. The reserves policy is reviewed and presented to our Audit & Risk Committee and the Board of Trustees on an annual basis.

The revaluation reserve was £6.8m (2017/18 £6.0m) and represents the re-valuation of the investment portfolios and investment property. A revaluation reserve of £6.3m (2017/18 £5.5m) sits in the unrestricted reserves and a revaluation reserve of £0.5m (2017/18 £0.4m) sits in the endowment reserves, see further analysis in note 20.

The pension reserve was £14.6m under FRS102 (2017/18 £15.7m) and represents the deficit on the defined benefit pension scheme, the programme to address this deficit has been discussed on page 30. Please also refer to note 27.

JEWISH CARE

5. RESPONSIBILITIES OF TRUSTEES

The Trustees, (who are also directors of Jewish Care for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under Company law the Trustees must not approve the financial statements unless satisfied that they give a true and fair view of the state of the group's and the charitable company's affairs and the group's charitable company's net movement in funds, including the income and expenditure for that period.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

The Trustees are responsible for keeping proper group accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- there is no relevant audit information of which the charitable company and group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

JEWISH CARE

5. RESPONSIBILITIES OF TRUSTEES CONT'D

The Trustees Report incorporates the Strategic Report which has been approved and authorised for issue by the Board of Trustees (Directors) on the 23 September 2019 and signed on their behalf by:

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a long, horizontal, wavy line that tapers to the right.

Chair & Trustee
Steven Lewis

23 September 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JEWISH CARE

Opinion

We have audited the financial statements of Jewish Care for the year ended 31 March 2019 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 34 & 35 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JEWISH CARE CONT'D

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JEWISH CARE CONT'D

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey (Senior Statutory Auditor)

10 Queen Street Place

London

EC4R 1AG

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 23 September 2019

JEWISH CARE

Consolidated Statement of Financial Activities for the year ended 31 March 2019

		2019	2018			
	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£' 000	£' 000	£' 000	£' 000	£' 000
Income and endowments from:						
Donations and legacies	5/21	16,097	2,742	-	18,839	17,954
Capital project donations	5	177	7,803	-	7,980	7,061
Charitable activities		33,305	-	2	33,307	31,364
Other trading entities		155	-	-	155	134
Investments	9	1,145	-	-	1,145	1,107
Disposal of Property		65	-	-	65	6,110
Total		50,944	10,545	2	61,491	63,730
Expenditure on:						
Raising funds:						
<i>Fundraising</i>	7	3,506	-	-	3,506	3,329
<i>Investment fees</i>	9	185	-	-	185	89
Charitable activities	7/21	49,814	2,710	83	52,607	50,371
Other expenditure		33	-	-	33	2,022
Total	7	53,538	2,710	83	56,331	55,811
Net gains/(losses) on investments	11	1,462	-	164	1,626	1,073
Net income	4	(1,132)	7,835	83	6,786	8,992
Transfer between funds	20/21	7,639	(7,803)	164	-	-
Actuarial gain/(loss) on defined benefit pension schemes	27	336	-	-	336	(112)
Net movement in funds		6,843	32	247	7,122	8,880
Reconciliation of funds:						
Total funds brought forward		103,822	3,375	16,434	123,631	114,751
Total funds carried forward	22/23	110,665	3,407	16,681	130,753	123,631

The notes on pages 43 to 79 form an integral part of the accounts. All activities during the year derive from continuing activities. Full comparative figures for the year ended 31 March 2018 as shown in note 32.

JEWISH CARE

Consolidated Summary Income and Expenditure Account for the year ended 31 March 2019

	Note	All income	All income
		funds	funds
		2019	2018
		£' 000	£' 000
Income		60,344	62,623
Gains on investments		1,462	851
Investment income		1,145	1,107
Gross income in the reporting period		62,951	64,581
Expenditure		53,183	52,809
Interest payable	8	162	71
Depreciation and charges for impairment of fixed assets		2,903	2,848
Total expenditure in the reporting period		56,248	55,728
Net income before tax for the reporting period		6,703	8,853
Tax payable		-	-
Net Income for the financial year		6,703	8,853

The Consolidated Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 39 with movements on endowment funds removed to comply with Company law.

All income and expenditure is derived from continuing activities.

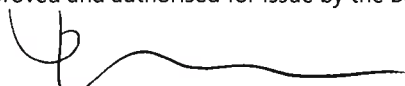
JEWISH CARE

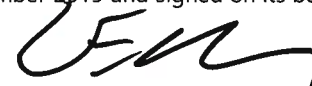
Balance Sheets as at 31 March 2019

Registered No. 02447900

	Note	Group		Company	
		2019	2018	2019	2018
		£' 000	£' 000	£' 000	£' 000
Fixed Assets					
Tangible assets	10	128,803	105,527	122,757	99,364
Investments	11	29,335	26,996	27,637	25,452
		158,138	132,523	150,394	124,816
Current Assets					
Debtors	13	5,268	5,962	7,850	6,523
Stock	14	105	147	105	147
Cash at bank and in hand		4,332	14,486	2,151	12,136
		9,705	20,595	10,106	18,806
Creditors – Amounts falling due in one year	15	(10,938)	(9,509)	(16,843)	(13,272)
Net Current (liabilities)/assets		(1,233)	11,086	(6,737)	5,534
Total Assets Less Current Liabilities		156,905	143,609	143,657	130,350
Creditors – Amounts falling due after more than one year	18	(11,532)	(4,232)	(11,532)	(4,232)
Net Assets less total liabilities excluding pension liabilities		145,373	139,377	132,125	126,118
Defined benefit pension scheme provision	27	(14,620)	(15,746)	(14,620)	(15,746)
Total net assets or liabilities		130,753	123,631	117,505	110,372
The funds of the charity:					
Restricted funds					
Endowment funds	20/22/23	16,681	16,434	9,665	9,643
Restricted income funds	21/22/23	3,407	3,375	3,396	3,353
Unrestricted funds					
Designated for tangible fixed assets	23	101,087	96,193	100,864	95,670
General funds	23	24,198	23,375	18,200	17,452
Total unrestricted funds		125,285	119,568	119,064	113,122
Pension reserve	23/27	(14,620)	(15,746)	(14,620)	(15,746)
Total charity funds	22/23	130,753	123,631	117,505	110,372

Approved and authorised for issue by the Board on 23 September 2019 and signed on its behalf by


Steven Lewis (Chair)


Graham Edwards (Treasurer)

The Charity only surplus for the year ended 31 March 2019 is £7.1m (2017/18 £8.9m). The notes on pages 43 to 79 form an integral part of these accounts.

JEWISH CARE

Statement of Cashflows for the year ended 31 March 2019

	Note	2019	2018
		£' 000	£' 000
Cash flows from operating activities:			
Net cash provided by operating activities	25	7,223	5,697
Cashflows from investing activities:			
Dividends, interest & returns from investments	9	943	1,018
Payments to acquire tangible fixed assets	10	(26,260)	(13,093)
Proceeds from the sale of tangible fixed assets		-	7,246
Proceeds from sale of investments	11	3,336	12,939
Proceeds from sale of investment assets		111	-
Payments to acquire investments	11	(2,807)	(3,844)
Net cash (used in)/in investing activities		(24,677)	4,266
Cash flows from financing activities:			
Repayments & financing		7,300	(1,000)
Overdraft facility		-	-
Net cash in/ (used in) financing activities		7,300	(1,000)
Change in cash and cash equivalents in the reporting period		(10,154)	8,963
Cash and cash equivalents at the beginning of the reporting period		14,486	5,523
Cash and cash equivalents at the end of the reporting period.	25	4,332	14,486

The notes on pages 43 to 79 form an integral part of these accounts.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

1. Status of the Charitable Company

Jewish Care is a charitable company registered in England and Wales, company number 02447900, limited by guarantee and not having a share capital. It is a registered Charity in England and Wales, Charity Commission number 802559, with its registered office at Amelie House, Maurice and Vivienne Wohl Campus, 221 Golders Green Road, NW11 9DQ and is not liable to direct UK taxation on its charitable activities.

2. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Statement of Compliance

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Jewish Care meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

2. Accounting Policies cont'd

Preparation of accounts on a going concern basis

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

Group financial statements

The financial statements consolidate the results of the Charity and its subsidiary undertakings on a line-by-line basis. The entities consolidated are those as listed in note 12 of the accounts with further analysis of the material subsidiaries in note 3. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The surplus of the parent Charity to include capital gifts was £7.1m (2018: £8.9m). Uniform SORP accounting policies have been applied.

Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Income from charitable activities to include care home residential and nursing fee income and grants are accounted for on a receivable basis. Investment income, including interest receivable, and other miscellaneous income are also accountable for on a receivable basis.

Donations are accounted for on a received basis. Legacies are recognised on a receivable basis, when the conditions of entitlement, probability and measurement are met. Where the probability and/or measurement criteria for legacies and donations are not satisfied as at the balance sheet date but subsequent events resolve the uncertainty such that the criteria are met, an adjustment is made to recognise the income.

Trading income (Shops income) is recognised in the period in which the goods are sold or the services are provided.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

2. Accounting Policies cont'd

Donated Services and Facilities

Donated services and facilities are only included in these accounts at the value to the Charity where this can be accurately and reliably quantified. The majority of the Charity's donated services represent the contribution of many thousands of hours by its 3,000 unpaid volunteers which complements the work of the Charity's paid staff. These volunteers support many aspects of the Charity from youth groups right through to the Trustee Board. The value of this contribution has not been reflected in these accounts. The SORP does not permit the accounting for such contributions due to the inherent uncertainty in applying an accurate and reliable financial measurement in accordance with the SORP, further details of the contribution of volunteers is included in the Trustees' Report.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably, expenditure is allocated to the appropriate headings relevant to the charitable activities; namely fundraising, care homes, day centres, home care and independent living, social work, indirect community services, mental health and project costs. Where expenditure relates to more than one cost category it is apportioned. The method of apportionment uses the most appropriate basis for each department. Reference should be made to note 7 for further information on the allocation of costs. Any irrecoverable VAT is included with the costs to which it relates.

The central costs which include governance costs are shown in note 7 support the whole of the charitable activities. Central costs are allocated to the charitable expenditure headings on a full time equivalent basis that is consistent with the use of these resources. Central costs include human resources, information technology, facilities, finance, governance and investment costs.

Operating Leases

The Charity classifies the lease of property, buses and printing equipment as operating leases, the title of the property, buses and printing equipment remains with the relevant lessors with the rental charges applicable to operating leases charged on a straight line basis over the term of the lease.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

2. Accounting Policies cont'd

Employee benefits

Pension Schemes

Jewish Care operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Jewish Care in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable during the year.

Jewish Care also operated a defined benefit pension scheme - the Jewish Care Pension Scheme, a defined benefit scheme for the benefit of the employees; the scheme was closed to new entrants on the 1 February 2006 and closed to future benefit accrual as at the 31 March 2011. The assets of the scheme are administered by the Jewish Care Pension Scheme Trustees in a fund separate from that of the Charity. The Pension Scheme has been accounted for in accordance with FRS 102. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses. See note 27 for further details.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Fixed assets and depreciation

Freehold properties are stated in the Balance Sheet at cost or value less depreciation. Only expenditure on property that is a new build or an improvement or an extension of existing facilities has been defined as fixed assets. Assets under construction are stated at cost and will be depreciated in accordance with the principal rates below when the assets are brought into use. No depreciation is charged on freehold land. Assets are written off when fully depreciated and no longer in use or when impairment occurs as is the case with the new developments (refer note 10). Tangible fixed assets are stated at cost less depreciation. All single items of equipment with a value in excess of £1,000 have been capitalised. Depreciation is provided in order to write off the cost, less estimated residual value of each asset, over its expected useful economic life. The principal rates used are:

Short leasehold land and building	Over the lease period, straight line method
Equipment	7 - 25% straight line method
Freehold and long leasehold buildings	2% straight line method
Motor Vehicles	25% straight line method

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

2. Accounting Policies cont'd

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities. Investment Properties are valued by surveyors on a 3 yearly basis, all of whom are members of the Royal Institute of Chartered Surveyors, desk top reviews of these valuations are carried out as and when required.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Financial Instruments

The Charity operates basic financial instruments in terms of its assets and liabilities. In terms of its liabilities, the bank loan shown in creditors amounts falling due after one year is recognised at its principal amount advanced less capital repayments.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount it has paid in advance.

Stocks

Food and cleaning stocks are stated at the lower of cost and net realisable value, where cost comprises purchase price.

Cash at Bank and in Hand

Cash at bank and in hand includes cash and deposits with a short term maturity of three months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably, amounts are recognised at their settlement amount.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

2. Accounting Policies cont'd

Fund Accounting

Jewish Care maintains various types of funds as follows:

Restricted funds

Restricted funds represent donations and legacies received which are allocated by the donor to a specific project. The restrictions are binding on the Trustees of the Charity.

Unrestricted Funds

General funds are funds that are expendable at the discretion of the Trustees in the furtherance of the objects of Jewish Care. Such funds may be held in order to fund both working capital and capital investment.

Designated Funds

Designated funds represent funds which are unrestricted, but the Trustees have designated them for a specific purpose to further the objectives of Jewish Care, the only designated fund is the fixed asset fund which represents the value of unrestricted tangible fixed assets.

Permanent Endowment funds

These are funds where the assets must be held permanently by the Charity, principally in the form of investments. Income from endowments is included, together with income from unrestricted funds in incoming resources. In some cases this income is also restricted towards a particular purpose specified by the donor.

Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas that are deemed to be material for these financial statements is as follows:

Accruing for income derived from legacies where complicated issues surrounding the measurement of the group's entitlement to income existed at the year end.

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 27.

The value of the contribution of the many thousands of hours donated by its 3,000 unpaid volunteers has not been reflected in these accounts. The SORP does not permit the accounting for such contributions due to the inherent uncertainty in applying an accurate and reliable financial measurement in accordance with the SORP.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

3. Subsidiaries

The Charity has one wholly owned trading subsidiary, Community Trading Limited, which is incorporated in England and Wales, company registration number 02449362. The following is a summary of its audited financial statements for the year ended 31 March 2019 (please also see note 12 for further details).

Statement of Income and Retained Earnings

	2019	2018
	£' 000	£' 000
Turnover	25,168	13,462
Cost of sales	(24,391)	(12,559)
Gross profit	777	903
Administrative expenses	(72)	(84)
Operating profit	705	819
Interest receivable	-	-
Qualifying payment to Jewish Care	(705)	(819)
Profit before tax	-	-
Tax expense	-	-
Profit after tax	-	-
Total Shareholders' Funds at 1 April 2018/2017	13	13
Total Shareholders' Funds at 31 March 2019/2018	13	13

Statement of Financial Position as at 31 March 2019

	2019	2018
	£' 000	£' 000
Current assets	1,499	2,692
Creditors (amounts falling due in one year)	(1,486)	(2,679)
Total assets less current liabilities	13	13
Total Shareholders' Funds	13	13

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

3. Subsidiaries cont'd

The Joel Emanuel Almshouse Trust (JET) is a subsidiary and Registered Social Landlord wholly owned by Jewish Care, linked Charity number 802559-12 and Registered Social Landlord number A2670. The following is a summary of its audited financial statements for the year ended 31 March 2019 (please also see note 12 for further details).

Statement of Comprehensive Income

	2019	2018
	£' 000	£' 000
Turnover	1,492	1,160
Operating expenditure	(1,417)	(1,313)
Operating surplus/(deficit) for the year	75	(153)
Dividend & interest receivable	44	35
Realised & unrealised investment movements	147	108
Interest payable	-	-
Surplus/(deficit) for the year	266	(10)
Total reserves at 1 April	6,087	6,097
Total reserves at 31 March	6,353	6,087

Statement of Financial Position as at 31 March 2019

	2019	2018
	£' 000	£' 000
Fixed assets	6,082	5,840
Current assets	353	336
Creditors (amounts falling due in one year)	(82)	(89)
Total Net Assets	6,353	6,087
Reserves		
Income and expenditure reserve	271	247
Revaluation reserve	130	117
Designated reserve	9	9
Endowment reserve	5,943	5,714
Total Reserves	6,353	6,087

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

3. Subsidiaries cont'd

The Jewish Association for Mental Illness (JAMI) is a subsidiary of Jewish Care by reference to Jewish Care being its sole member. It is registered in England and Wales, company registration number 02618170 and Charity Commission number 1003345. The following is a summary of its audited financial statements for the year ended 31 March 2019 (please also see note 12 for further details).

Statement of Financial Activities

	2019	2018
	£' 000	£' 000
Income- donations, and legacies (revenue)	1,253	1,245
Income – charitable activities (includes grant from Jewish Care)	1,088	1,066
Expenditure on – raising all charitable funds	(2,433)	(2,153)
Net (expenditure)/income before capital donations	(92)	158
Capital donations	177	-
Net income after capital donations	85	158
Total funds at 1 April 2018/2017	2,913	2,755
Total funds at 31 March 2019/2018	2,998	2,913

Balance Sheet as at the 31 March 2019

	2019	2018
	£' 000	£' 000
Fixed Assets	1,252	1,284
Current assets	1,925	1,786
Creditors (amounts falling due in one year)	(179)	(157)
Total assets less current liabilities	2,998	2,913
Charity Funds		
Designated*	1,479	1,334
Restricted	11	22
Unrestricted	1,508	1,557
Total Charity Funds	2,998	2,913

*Designated funds represent the net book value of JAMI's unrestricted tangible fixed assets.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

4. Net Income

Jewish Care has one class of business, being the provision of welfare services to the Jewish community in the United Kingdom. All income relates to continuing operations.

The net income is stated after charging:

	2019	2018
	£' 000	£' 000
Staff costs (note 6)	34,520	34,379
Depreciation (note 10)	2,984	2,919
Operating Leases – buildings	485	185
Operating leases – equipment & vehicles	408	408
Auditors' remuneration (excludes VAT)		
- audit fees including £38,100 (2018: £36,700) in respect of the Charity	45	47
- other services in respect of the Charity (internal audit)	54	45

5. Donations and Legacies

	2019	2018
	£' 000	£' 000
Legacy income	5,294	6,089
Revenue donations	12,210	11,865
Capital project donations towards construction costs	7,980	7,061
	25,484	25,015

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

6. Staff Costs

	2019	2018
	£' 000	£' 000
Wages and salaries	29,224	28,447
Social security costs	2,463	2,404
Pension costs – defined contribution	981	1,794
Pension costs – defined benefit	1,592	1,553
Redundancy & termination costs	260	181
	34,520	34,379
Payments made to independent third parties for the provision of staff	288	166

Employees received £93,963 (2017/18: £82,016) of benefits in kind not included above. Key management personnel comprise the professional officers and Trustees, the total remuneration, benefits and pensions paid to the professional officers in the year was £1,152,056 (2017/18: £845,065), none of the Jewish Care Trustees received any remuneration or expenses from their work associated with the Charity. The average number of people employed by the Group during the year was 1,329 (2017/18: 1,318). Of these, the average number of employees directly involved in care related work was 631 (2017/18: 651). Volunteers do not receive any remuneration for their volunteering time but can be reimbursed for out of pocket expenses where applicable. The Charity average head count was 1,240 (2017/18: 1,228) with staff costs of £32.3m (2017/18: £32.2m). The contribution of many thousands of hours given by our 3,000 unpaid volunteers has not been reflected in these accounts.

Payments made to independent third parties for the provision of staff relate to costs incurred where established staff vacancies exist and cover is required pending recruitment, short term sickness cover and time limited projects.

The number of employees earning in excess of £60,000 per annum including benefits in kind:

	2019	2018
	No	No
Emoluments of employees:		
£60,001 - £70,000	5	5
£70,001 - £80,000	6	6
£80,001 - £90,000	1	1
£90,001 - £100,000	8	3
£110,001 - £120,000	1	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	1
£140,001 - £150,000	-	1
£170,001 - £180,000	1	-
£210,001 - £220,000	-	1

The former Chief Executive falls in the highest banding above.

Employer's pension contributions for employees whose emoluments exceeded £60,000 were £66,068 (2017/18: £153,243).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

7. Analysis of Expenditure 2019

	Direct					2019	2018
	Personnel	Fundraising	Establishment	Client/Other	Central	Totals	Totals
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fundraising	1,536	1,333	205	258	174	3,506	3,329
Totals	1,536	1,333	205	258	174	3,506	3,329
Charitable activities							
Care Homes	22,609	-	6,359	2,678	3,396	35,042	33,467
Day Centres	3,639	1	1,291	1,229	613	6,773	7,085
Home Care	969	-	56	67	113	1,205	1,335
Independent Living	2,075	3	1,053	294	195	3,620	2,885
Social Work	1,695	-	167	44	284	2,190	2,102
Indirect Community Services	1,370	-	133	47	161	1,711	1,906
Mental Health	934	263	563	34	-	1,794	1,373
Project Costs	239	26	1	2	4	272	218
Totals	33,530	293	9,623	4,395	4,766	52,607	50,371
Investment fees	-	-	-	-	185	185	89
Totals	-	-	-	-	185	185	89
Other expenditure	-	-	-	33	-	33	2,022
Totals	-	-	-	33	-	33	2,022
Total expenditure	35,066	1,626	9,828	4,686	5,125	56,331	55,811

Personnel – salaried and agency staff providing charitable services, national insurance contributions, pension contributions, staff benefits, professional development and core training costs.

Direct Fundraising – direct costs of major events, marketing costs, various programme costs (Friends, Young Patrons etc.) and committee event costs.

Establishment – property and equipment maintenance costs to include fixed and reactive works, depreciation costs on all sites, cleaning and refuse, insurance, utilities (to include gas, electricity, council tax and water rates) computer, telephone and security costs.

Client – direct catering costs, medical supplies, therapists, and GP fees.

Central – central costs as detailed on pages 56 and 57.

Other expenditure in the prior year relates to the write off of former properties and related fixtures and fittings as part of the capital project development projects at Stanmore and Hendon.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

7. Analysis of Expenditure 2018

	Direct					2018
	Personnel	Fundraising	Establishment	Client/Other	Central	Totals
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fundraising	1,478	1,186	211	277	177	3,329
Totals	1,478	1,186	211	277	177	3,329
Charitable activities						
Care Homes	21,769	-	5,764	2,515	3,419	33,467
Day Centres	3,843	3	1,290	1,240	709	7,085
Home Care	1,039	-	56	79	161	1,335
Independent Living	1,791	1	765	237	91	2,885
Social Work	1,620	-	163	58	261	2,102
Indirect Community Services	1,619	1	118	23	145	1,906
Mental Health	806	213	354	-	-	1,373
Project Costs	190	10	1	2	15	218
Totals	32,677	228	8,511	4,154	4,801	50,371
Investment fees	-	-	-	-	89	89
Totals	-	-	-	-	89	89
Assets written off & other expenditure	-	-	-	2,022	-	2,022
Totals	-	-	-	2,022	-	2,022
Total expenditure	34,155	1,414	8,722	6,453	5,067	55,811

Personnel – salaried and agency staff providing charitable services, national insurance contributions, pension contributions, staff benefits, professional development and core training costs.

Direct Fundraising – direct costs of major events, marketing costs, various programme costs (Friends, Young Patrons etc.) and committee event costs.

Establishment – property and equipment maintenance costs to include fixed and reactive works, depreciation costs on all sites, cleaning and refuse, insurance, utilities (to include gas, electricity, council tax and water rates) computer, telephone and security costs.

Client – direct catering costs, medical supplies, therapists, and GP fees.

Central – central costs as detailed on pages 56 and 57.

Assets written off & other expenditure relates to the write off of former properties and related fixtures and fittings as part of the capital project development projects at Stanmore and Hendon.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

Analysis of Expenditure cont'd

7. Analysis of Expenditure 2019

	Human resources	Information technology	Facilities	Finance	Governance	Investment Fees	2019 Totals	2018 Totals
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fundraising	47	19	54	36	18	-	174	177
Totals	47	19	54	36	18	-	174	177
Charitable activities								
Care Homes	910	365	1,069	702	350	-	3,396	3,419
Day Centres	164	66	193	127	63	-	613	709
Home Care	30	12	36	23	12	-	113	161
Independent Living	52	21	62	40	20	-	195	91
Social Work	76	31	89	59	29	-	284	261
Indirect Community Services	43	17	51	33	17	-	161	145
Project Costs	1	-	2	1	-	-	4	15
Totals	1,276	512	1,502	985	491	-	4,766	4,801
Investment fees	-	-	-	-	-	185	185	89
Totals	-	-	-	-	-	185	185	89
Total expenditure	1,323	531	1,556	1,021	509	185	5,125	5,067

Human Resources – central human resources and training department to support and administer recruitment and training in all services areas.

Information technology – central IT department to support all service areas to include day to day administration for all service areas and the support of project implementation including electronic care plans and rostering systems.

Facilities – central property department to support all estate and facilities maintenance and the support of the capital projects programme.

Finance – central finance department to support and administer the finances for all service areas to include billing, financial reporting and modelling for all service areas, budget setting, statutory accounts preparation and the support of the capital projects programme.

Governance – Chief Executive's Office costs to include internal and external audit costs and legal advice.

Investment fees – investment fees on investment portfolio linked to performance.

Central costs are allocated to expenditure on charitable activities based on a full time equivalent (FTE) basis.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

7. Analysis of Expenditure 2018

	Human resources	Information technology	Facilities	Finance	Governance	Investment Fees	2018 Totals
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fundraising	51	18	59	35	14	-	177
Totals	51	18	59	35	14	-	177
Charitable activities							
Care Homes	979	350	1,147	671	272	-	3,419
Day Centres	203	73	238	139	56	-	709
Home Care	46	17	54	32	12	-	161
Independent Living	26	9	31	18	7	-	91
Social Work	75	27	88	51	20	-	261
Indirect Community Services	41	15	49	29	11	-	145
Project Costs	4	2	5	3	1	-	15
Totals	1,374	493	1,612	943	379	-	4,801
Investment fees	-	-	-	-	-	89	89
Totals	-	-	-	-	-	89	89
Total expenditure	1,425	511	1,671	978	393	89	5,067

Human Resources – central human resources and training department to support and administer recruitment and training in all services areas.

Information technology – central IT department to support all service areas to include day to day administration for all service areas and the support of project implementation including electronic care plans and rostering systems.

Facilities – central property department to support all estate and facilities maintenance and the support of the capital projects programme.

Finance – central finance department to support and administer the finances for all service areas to include billing, financial reporting and modelling for all service areas, budget setting, statutory accounts preparation and the support of the capital projects programme.

Governance – Chief Executive's Office costs to include internal and external audit costs and legal advice.

Investment fees – investment fees on investment portfolio linked to performance.

Central costs are allocated to expenditure on charitable activities based on a full time equivalent (FTE) basis.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

8. Interest payable

	2019	2018
	£' 000	£' 000
Interest payable on Barclays term loan	162	71
	162	71

9. Investment Income

	2019	2018
	£' 000	£' 000
Dividends and interest receivable	1,069	1,034
Short-term deposit and sundry income	59	73
	1,128	1,107
Portfolio management fees	(185)	(89)
	943	1,018

Of the above, £700,200 (2017/18: £743,159) relates to income from listed investments.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

10. Tangible Assets

Group

	Freehold land and buildings	Assets under Construction	Long leasehold land and buildings	Equipment	Motor vehicles	Total
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Cost						
At 1 April 2018	103,984	16,152	1,025	7,660	13	128,834
Additions	-	24,954	-	1,306	-	26,260
Projects completed	12,333	(12,333)	-	-	-	-
At 31 March 2019	116,317	28,773	1,025	8,966	13	155,094
Depreciation						
At 1 April 2018	18,532	-	312	4,461	2	23,307
Charge for period	2,127	-	20	836	1	2,984
At 31 March 2019	20,659	-	332	5,297	3	26,291
Net book value						
At 31 March 2019	95,658	28,773	693	3,669	10	128,803
At 31 March 2018	85,452	16,152	713	3,199	11	105,527

Tangible assets are all primarily used for charitable purposes.

Barclays Bank PLC hold a legal charge on the Jewish Care Charity only freehold property at 221 Golders Green Road as security for the borrowings for the development of the Maurice and Vivienne Wohl Campus at 221 Golders Green Road NW11 9DQ. The Jewish Care Pension Trustees limited also hold a collateral security arrangement with a second fixed security charge over the Maurice and Vivienne Wohl Campus.

In February 2019, Barclays Bank PLC also took a legal charge on the Jewish Care Charity only freehold properties at Stanmore (Priory Close) and at Hendon (27 Church Road) as security for the funding of the development of the Sandringham Care Campus at Stanmore and Wohl Court, Independent Living at Hendon (note 18).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

10. Tangible Assets (Continued)

Company

	Freehold land and buildings	Assets under construction	Long leasehold land and buildings	Equipment	Motor vehicles	Total
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Cost						
At 1 April 2018	98,428	14,102	1,025	6,953	-	120,508
Additions	-	25,119	-	1,107	-	26,226
Projects completed	9,333	(9,333)	-	-	-	-
At 31 March 2019	107,761	29,888	1,025	8,060	-	146,734
Depreciation						
1 April 2018	17,046	-	312	3,786	-	21,144
Charge for the period	2,003	-	20	810	-	2,833
Disposals	-	-	-	-	-	-
At 31 March 2019	19,049	-	332	4,596	-	23,977
Net book value						
At 31 March 2019	88,712	29,888	693	3,464	-	122,757
At 31 March 2018	81,382	14,102	713	3,167	-	99,364

Tangible assets are all primarily used for charitable purposes.

Barclays Bank PLC hold a legal charge on the Jewish Care freehold property at 221 Golders Green Road as security for the borrowings for the development of the Maurice and Vivienne Wohl Campus at 221 Golders Green Road NW11 9DQ. The Jewish Care Pension Trustees limited also hold a collateral security arrangement with a second fixed security charge over the Maurice and Vivienne Wohl Campus.

In February 2019, Barclays Bank PLC also took a legal charge on the Jewish Care freehold properties at Stanmore (Priory Close) and at Hendon (27 Church Road) as security for the funding of the development of the Sandringham Care Campus at Stanmore and Wohl Court, Independent Living at Hendon. (note 18)

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

11. Investments

Movement in investments

Group	Investment	Other	2019	2018
	properties	investments	Total	Total
	£' 000	£' 000	£' 000	£' 000
At 1 April	55	26,941	26,996	35,995
Additions	1,334	2,807	4,141	3,844
Disposals	(46)	(3,336)	(3,382)	(13,268)
Cash movements	-	(46)	(46)	(736)
Minority interest adjustment	-	-	-	88
Realised gain/(loss)	-	241	241	268
Unrealised gain	-	1,385	1,385	805
At 31 March	1,343	27,992	29,335	26,996

Company

	Investment	Other	2019	2018
	properties	investments	Total	Total
	£' 000	£' 000	£' 000	£' 000
At 1 April	55	25,397	25,452	31,635
Additions	1,334	2,807	4,141	3,844
Disposals	(46)	(3,336)	(3,382)	(10,268)
Cash movements	-	(46)	(46)	(737)
Minority interest adjustment	-	-	-	-
Transfer to Joel Emanuel Almshouse Trust	-	(133)	(133)	(92)
Realised gain/(loss)	-	251	251	268
Unrealised gain	-	1,354	1,354	802
At 31 March	1,343	26,294	27,637	25,452

Investment properties include a one-third interest in a residential care home for adults with learning difficulties. The tenant holds an option to purchase the freehold interest in the property for £265,000 plus accrued interest calculated at Barclays Bank Plc base rate with effect from 17 October 1985. The residential care home was valued by Knight Frank at £55,000 in March 2016 (2016/17 £55,000) based on a freehold vacant possession of £1,690,000, a deferment rate of 3.75% with 94 years to expiry. A desk top review of the Knight Frank valuation at the 31 March 2019 suggests no change to the valuation. The gifted property portfolio was valued by Strettons and taken into the Jewish Care portfolio at that value on the 22 November 2018.

Investments may be analysed as follows:

	Group		Company	
	Market value	Cost	Market value	Cost
	£' 000	£' 000	£' 000	£' 000
Investment properties	1,343	1,310	1,343	1,310
Investment in subsidiary undertakings	-	-	10	10
Sterling and foreign currency bonds	4,233	4,095	4,037	3,906
Equities and convertibles	20,229	13,596	18,846	12,599
Hedge Funds and Commodities	977	914	977	914
Deposits	2,553	2,553	2,424	2,424
	29,335	22,468	27,637	21,163

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

12. Subsidiary Undertakings and Linked Charities

Detailed below is a list of the Charity's subsidiary undertakings and linked Charities, the majority of which are registered with the Charity Commission in England and operate within the United Kingdom. All of the subsidiary undertakings and linked Charities listed below are involved in the provision of social services to the Jewish community. Their activities are managed by Jewish Care at its principal place of business and registered office at Amelie House, Maurice and Vivienne Wohl Campus, 221 Golders Green Road, NW11 9DQ. The only subsidiary to operate from a different registered office address is JAMI whose registered office is at Leila's House, 55 Christchurch Avenue, London, N12 0DG. The results of Community Trading Limited, the Joel Emanuel Almshouse Trust and the Jewish Association for Mental Illness (JAMI) are disclosed in note 3 to the financial statements. The results of JAMI Sales and Services Limited (100% subsidiary of JAMI) are a NIL result with net liabilities of (£32k). Linked Charity numbers are also disclosed where available.

Name of Subsidiary/Linked Charity Undertakings	Basis of Consolidation
Subsidiary	
Community Trading Limited	100% trading subsidiary of Jewish Care (Co. No. 02449362)
Jewish Association for Mental Illness (JAMI)	Jewish Care is the sole Company law member of JAMI (Co. No. 02618170)
Marian Gerver Properties Limited	100% subsidiary (Co. No. 706174) dissolved 14/6/18
Jewish Care Pension Trustees Limited	100% subsidiary (Co. No. 02493041)
Linked Charities	
Joel Emanuel Almshouse Trust	100% subsidiary of Jewish Care (RSL No. A2670)/ 802559-12
The Board of Guardians and Trustees for the Relief of the Jewish Poor commonly known as the Jewish Welfare Board	Wholly owned subsidiary of Jewish Care – 802559-8
Jewish Blind Society	Linked Charity – 802559-9
Jewish Home and Hospital at Tottenham	Linked Charity – 802559-7
Stepney Jewish (B'nai B'rith) Clubs and Settlement	Linked Charity – 802559-5
Redbridge Jewish Youth and Community Centre	Linked Charity - 802559-6
Brighton & Hove Jewish Home	Linked Charity – 802559-4
Maurice & Samuel Lyon Home	Linked Charity – 802559-2
H E David Fund	Linked Charity – 802559-10
Sophia Gardner Fund	Linked Charity – 802559-15
A E Franklin Fund	Linked Charity – 802559-16
Alexander Jacob Memorial Fund	Linked Charity – 802559-17
Jewish Convalescent Home (Brighton Branch)	Linked Charity – 802559-18
R A Schlesinger Fund	Linked Charity – 802559-19
Nathan Simpson Trust	Linked Charity – 802559-20
The Levy Charitable Trust	Linked Charity – 802559-3
George Julian Egerton Fund	Linked Charity – 802559-1
Endowment Funds as linked charities	
Jewish Care Loan Fund (Hirsch Loan Fund)	Linked Charity – 802559-14
Maitland Joseph Trust	Linked Charity – 802559-11
Anthony and Annie Muller Seaside Convalescent Home	Linked Charity – 802559-13

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

12. Subsidiary Undertakings and Linked Charities cont'd

Name of Subsidiary	Basis of Consolidation
Jewish Family Services Limited	(Co. No. 03196138) Common Management control
Friends of the London Jewish Hospital Limited	(Co. No. 00267419) Common Management control
Jewish Care Community Foundation Limited	(Co. No. 03071151) Common Management control

Endowment funds, all of which are permanent endowments and are consolidated on the basis of common management control, are:

Meir & Naima Abraham Trust	Helen Lucas Relief in Sickness Charity
Lily Bluston Settlement	Yehuda and Miriam Davidson Memorial Fund
Felsenstein & Schwarzschild Memorial Fund	Anthony and Annie Muller Seaside Convalescent Home
Jack Harris Transport Trust	Rudolph (Minna & Maximilian) Trust
JHH Legacy Fund	David Salamons Momentos
JHH Patient Amenities Fund	Spitzel Trust
Vansen Bequest Trust	Alfred Stern Trust
Freeman Trust	

13. Debtors

	Group		Company	
	2019	2018	2019	2018
	£' 000	£' 000	£' 000	£' 000
Trade Debtors	2,002	2,042	1,864	1,925
Amounts owed by subsidiary undertakings	-	-	4,006	2,931
Other debtors	676	1,524	564	467
Monies due from HM Revenue & Customs	1,349	1,164	277	94
Prepayments	974	952	881	839
Accrued income	242	280	233	267
Legacy Debtor	25	-	25	-
	5,268	5,962	7,850	6,523

14. Stock

Group and Company	2019	2018
	£' 000	£' 000
Food and cleaning stocks	105	147
	105	147

Stocks represent unused and unsold hotel services stock at the 31 March 2019.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

15. Creditors – Amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£' 000	£' 000	£' 000	£' 000
Barclays loan facility	1,000	1,000	1,000	1,000
Amounts owed to subsidiary undertakings	-	-	6,711	4,045
Trade creditors	3,343	2,367	2,909	2,237
Other creditors	2,083	1,602	1,951	1,544
Taxation and social security	650	623	615	593
Accruals	3,476	3,507	3,284	3,462
Deferred Income (note 16)	225	142	212	123
Advance funds from the Otto Schiff Housing Asc.	161	268	161	268
	10,938	9,509	16,843	13,272

Jewish Care holds funds in the amount of £221,943 (2017/18: £230,552) on behalf of residents and committees in designated bank accounts. These funds have not been included in the Jewish Care financial statements. Some of the net amounts owed from/to subsidiaries to the Company relates to the intercompany balance with Community Trading Limited at £1,242k (owed from) and the Joel Emanuel Almshouse Trust at £322k (owed to).

16. Deferred Income

	Group	Company
	£' 000	£' 000
Balance at 1 April 2018	142	123
Amount added to income earned from charitable activities	83	89
Balance at the 31 March 2019	225	21

Deferred income relates to income received from donors that is subject to restrictions that require its use at a later date.

17. Financial Instruments

	Group		Company	
	2019	2018	2019	2018
	£' 000	£' 000	£' 000	£' 000
Financial assets measured at fair value	25,439	25,497	23,772	23,772
Financial assets measured at initial recognition	10,860	20,597	7,274	15,963
Financial liabilities measured at initial recognition	18,609	9,824	18,007	9,605

Financial assets measured at fair value represent our listed investments.

Financial assets measured at initial recognition represent trade debtors, other debtors and cash.

Financial liabilities measured at initial recognition represent trade creditors, other creditors and commercial loan facilities.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

18. Creditors – Amounts falling due after more than one year

	Group		Company	
	2019	2018	2019	2018
	£' 000	£' 000	£' 000	£' 000
Barclays loan facility	11,532	4,232	11,532	4,232
	11,532	4,232	11,532	4,232

In April 2008, Jewish Care arranged a bridging facility loan facility with Barclays Bank PLC of up to £15m for a revolving period of 5 years and a term of 10 years, to assist the financing of the development of the care campus at 221 Golders Green Road, NW11 9DQ. The facility is secured on this development. As of the 14 April 2013 the revolving period had expired with quarterly capital payments commencing in July 2013, the balance outstanding on this facility at the 31 March 2019 was £3,232k. In February 2019, Jewish Care arranged a joint facility of £21.3m for the development of the Sandringham Care Campus at Stanmore (£13m - bridging facility) and Wohl Court, Independent Living at Hendon (£8.3m - long term borrowing). The balance outstanding on this facility at the 31 March 2019 was £8.3m with the remaining £13m committed but undrawn at the year end. The £21.3m facility is secured on the freehold of both sites at Stanmore and Hendon.

19. Result of the Charitable Company

As permitted by Section 403-413 of the Companies Act 2006, the parent undertaking's income and expenditure account has not been included in these financial statements. The net surplus for the year attributable to Jewish Care, including capital receipts but excluding unrealised gains and losses on investments and the pension scheme is £5.3m (2017/18 net surplus of £8m).

20. Endowment Funds 2019

The funds below represent the value of the endowments at the 31 March 2019 which were to provide support to the general objectives of Jewish Care. Transfers include the re-allocation of funds between restricted and general funds.

Group	1 April 2018	Income	Expenditure	Transfers/ Gain/loss	31 March 2019
	£' 000	£' 000	£' 000	£' 000	£' 000
Maurice and Samuel Lyon Home	680	-	(26)	-	654
Joel Emanuel Trust ¹	5,715	-	(57)	286	5,944
Other trusts	398	2	-	19	419
Maitland Joseph Trust ²	9,641	-	-	23	9,664
	16,434	2	(83)	328	16,681

1. Please refer to the financial statements for the Joel Emanuel Trust for further information on this Trust, in April 2017 £3m of the endowment funds were applied to the Independent Living scheme, Wohl Court in Hendon, with project completion in February 2019.

2. In April 2017 £7m of the Maitland Joseph endowment funds were applied to the care campus at Sandringham at Stanmore, phase II of which is currently under construction, £2.3m of the same fund was applied to Betty and Asher Loftus campus in prior years.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

20. Endowment Funds 2018

The funds below represent the value of the endowments at the 31 March 2018 which were to provide support to the general objectives of Jewish Care. Transfers include the re-allocation of funds between restricted and general funds.

Group

	1 April 2017	Income	Expenditure	Transfers/ Gain/loss	31 March 2018
	£' 000	£' 000	£' 000	£' 000	£' 000
Maurice and Samuel Lyon Home	707	-	(27)	-	680
Joel Emanuel Trust ¹	5,669	92	(46)	-	5,715
Other trusts	405	-	(7)	-	398
Maitland Joseph Trust ²	9,626	18	(3)	-	9,641
	16,407	110	(83)	-	16,434

1. Please refer to the financial statements for the Joel Emanuel Trust for further information on this Trust, in April 2017 £3m of the endowment funds were applied to the Independent Living scheme, Wohl Court in Hendon currently under construction.

2. In April 2017 £7m of the Maitland Joseph endowment funds were applied to the care campus at Sandringham at Stanmore, currently under construction. £2.3m of the same fund was applied to Betty and Asher Loftus campus in prior years.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

21. Restricted Funds – Group 2019

	1 April 2018	Income	Expenditure	Net Gains/ Transfers in/(out)	31 March 2019
	£' 000	£' 000	£' 000	£' 000	£' 000
Sidney Corob ¹	-	118	(118)	-	-
Holocaust Survivors' Centre ¹	-	307	(307)	-	-
Michael Sobell Community Centre ¹	-	203	(203)	-	-
Hyman Fyne ¹	-	220	(220)	-	-
Vi & John Rubens ¹	-	135	(135)	-	-
Sinclair House ²	3,352	418	(375)	-	3,395
Special Day Centres	-	45	(45)	-	-
Stepney Community Centre	-	40	(40)	-	-
Edgware & Harrow	-	13	(13)	-	-
Otto Schiff	-	115	(115)	-	-
Lady Sarah Cohen House	-	130	(130)	-	-
Princess Alexandra	-	23	(23)	-	-
Clore Manor	-	25	(25)	-	-
Rosetrees	-	20	(20)	-	-
Disability Arts & Dementia	-	34	(34)	-	-
Community Support	-	203	(203)	-	-
Homecare	-	51	(51)	-	-
Others ³	-	48	(48)	-	-
Sandringham/Wohl Court ⁴	-	7,803	-	(7,803)	-
JAMI ⁵	23	594	(605)	-	12
Totals⁶	3,375	10,545	(2,710)	(7,803)	3,407

1. Donated funds that are soft credited to our Homes and Day Centres to contribute to the operating expenditure of those services.

2. Sinclair House is a day centre providing a facility for the whole community both young and old, with special day care for the needs of clients with Alzheimer's. Funds have been received to development the site, £762k of which have been spent on planning fees and duly capitalised pending full development of the site, other transfers relate to cash designated for use on this project.

3. Other restricted funds consist of funds that are to be used to fund entertainment for the residents in the Care Homes and other smaller amounts with restricted spending requirements.

4. The majority of the capital pledges received are towards the development of the Sandringham campus at Stanmore currently under construction and Wohl Court at Hendon, completed in February 2019.

5. Please refer to the JAMI Charity accounts for the details of the restricted fund movements for the year.

6. Restricted reserves for the Charity are £3,395k (2017/18: £3,352k) the numbers above excluding the funds for JAMI.

Income relates to all fundraising income and fees specifically raised for the resources as detailed above. Expenditure relates to all expenditure linked to that with which it was fundraised for, for example care home operations and funds for resident entertainment.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

21. Restricted Funds – Group 2018

	1 April 2017	Income	Expenditure	Net Gains/ Transfers in/(out)	31 March 2018
	£' 000	£' 000	£' 000	£' 000	£' 000
Sidney Corob	-	52	(52)	-	-
Holocaust Survivors' Centre	-	28	(28)	-	-
Michael Sobell Community Centre	-	27	(27)	-	-
Kun Mor and George Kiss Home	-	11	(11)	-	-
Jack Gardner House ¹	1,301	43	(43)	(1,301)	-
Hyman Fyne	-	121	(121)	-	-
Vi & John Rubens	-	23	(23)	-	-
Sinclair House ²	2,417	167	(34)	802	3,352
Special Day Centres	-	35	(35)	-	-
Otto Schiff	-	119	(119)	-	-
Lady Sarah Cohen House	-	147	(147)	-	-
Princess Alexandra	-	26	(26)	-	-
Rubens House	-	15	(15)	-	-
Clore Manor	-	19	(19)	-	-
Rosetrees	-	13	(13)	-	-
Disability Arts & Dementia	-	47	(47)	-	-
Community Support	-	393	(393)	-	-
Homecare	-	51	(51)	-	-
Others ³	-	146	(146)	-	-
Sandringham/Wohl Court ⁴	-	7,061	-	(7,061)	-
JAMI ⁵	-	198	(175)	-	23
Totals⁶	3,718	8,742	(1,525)	(7,560)	3,375

1. Jack Gardner House represents a property donated in prior years, covenants attached to the property expired on the 12 May 2017 and so its transfer to designated assets.

2. Sinclair House is a day centre providing a facility for the whole community both young and old, with special day care for the needs of clients with Alzheimer's. Funds have been received to develop the site, £697k of which have been spent on planning fees and duly capitalised pending full development of the site, other transfers relate to cash designated for use on this project.

3. Other restricted funds consist of funds that are to be used to fund entertainment for the residents in the Care Homes and other smaller amounts with restricted spending requirements.

4. The majority of the capital pledges received are towards the development of the Sandringham campus at Stanmore and Wohl Court at Hendon both currently under construction.

5. Please refer to the JAMI Charity accounts for the details of the restricted fund movements for the year.

6. Restricted reserves for the Charity are £3,352k (2016/17: £3,718k) the numbers above excluding the funds for JAMI.

Income relates to all fundraising income and fees specifically raised for the resources as detailed above. Expenditure relates to all expenditure linked to that with which it was fundraised for, for example care home operations and funds for resident entertainment.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

22. Summary of Funds 2019

Group

	Brought forward	Income	Expenditure	Gain/losses	Transfers in/(out)	Carried forward
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Unrestricted funds	119,568	50,944	(54,328)	1,462	7,639	125,285
Pension fund	(15,746)	-	790	336	-	(14,620)
Restricted funds	3,375	10,545	(2,710)	-	(7,803)	3,407
Endowment funds	16,434	2	(83)	164	164	16,681
Total Funds	123,631	61,491	(56,331)	1,962	-	130,753

Please refer to the individual notes on endowment and restricted funds for further details on transfers.

Summary of Funds 2018

Group

	Brought forward	Income	Expenditure	Gain/losses	Transfers in/(out)	Carried forward
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Unrestricted funds	94,626	54,988	(54,203)	851	7,560	103,822
Restricted funds	3,718	8,742	(1,525)	-	(7,560)	3,375
Endowment funds	16,407	-	(83)	110	-	16,434
Total Funds	114,751	63,730	(55,811)	961	-	123,631

Please refer to the individual notes on endowment and restricted funds for further details on transfers.

Summary of Funds 2019

Company

	Brought forward	Income	Expenditure	Gain/losses	Transfers in/(out)	Carried forward
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Unrestricted funds	113,122	45,768	(49,066)	1,437	7,803	119,064
Pension fund	(15,746)	-	790	336	-	(14,620)
Restricted funds	3,353	9,951	(2,105)	-	(7,803)	3,396
Endowment funds	9,643	-	-	22	-	9,665
Total Funds	110,372	55,719	(50,381)	1,795	-	117,505

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

22. Summary of Funds cont'd

Summary of Funds 2018

Company

	Brought forward	Income	Expenditure	Gain/losses	Transfers in/(out)	Carried forward
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Unrestricted funds	88,133	50,465	(49,616)	835	7,559	97,376
Restricted funds	3,718	8,543	(1,349)	-	(7,559)	3,353
Endowment funds	9,626	-	-	17	-	9,643
Total Funds	101,477	59,008	(50,965)	852	-	110,372

23. Analysis of Group Net Assets Between Funds 2019

	Endowment funds	Restricted funds	Designated funds	General funds	Pension funds	Total funds
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fund Balances at 31 March 2019						
Tangible fixed assets	14,422	762	113,619	-	-	128,803
Investments	2,119	-	-	27,216	-	29,335
Current assets	140	2,645	-	6,920	-	9,705
Liabilities	-	-	(12,532)	(9,938)	-	(22,470)
Pension scheme liability	-	-	-	-	(14,620)	(14,620)
Total Net Assets	16,681	3,407	101,087	24,198	(14,620)	130,753

Designated funds represent the net book value of Jewish Care's unrestricted tangible fixed assets £113,619k, designated cash the Barclays facilities of (£12,532k).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

23. Analysis of Group Net Assets Between Funds 2018

	Endowment funds	Restricted funds	Designated funds	General funds	Pension funds	Total funds
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
Fund Balances at 31 March 2018						
Tangible fixed assets	14,339	662	90,526	-	-	105,527
Investments	1,955	-	-	25,041	-	26,996
Current assets	140	2,713	10,899	6,843	-	20,595
Liabilities	-	-	(5,232)	(8,509)	-	(13,741)
Pension scheme liability	-	-	-	-	(15,746)	(15,746)
Total Net Assets	16,434	3,375	96,193	23,375	(15,746)	123,631

Designated funds represent the net book value of Jewish Care's unrestricted tangible fixed assets £90,526k, designated cash of £10,899k and the Barclays loan of (£5,232k). In April 2017 £10m of the endowment funds in the form of investments were applied to part fund the construction of the care campus at Sandringham, Stanmore £7m, currently under construction. The other £3m was applied to part fund the construction of the Independent Living scheme, Wohl Court in Hendon, the £10m of assets under construction are included as tangible fixed assets at the year end.

24. Revaluation Reserve Group

Included within the unrestricted and endowment reserves are the following investment revaluation on both investments and investment property amounts, investment property amounts in the unrestricted reserves are a negative (£33k) (2017/18 a negative (£33k)) the balance of the revaluation reserve relates to investments.

	2019	2018
	£' 000	£' 000
Unrestricted reserves	6,258	5,544
Endowment reserves	544	444
Total revaluation reserve	6,802	5,988

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

25. Notes to the Statement of Cash Flow

Reconciliation of net income to net cash outflow from operating activities

	2019	2018
	£' 000	£' 000
Net income for the year	5,160	7,919
Adjustments for:		
Depreciation charges	2,984	2,919
Impairment	-	1,705
Profit on disposal of Property	(65)	(6,110)
Gift of Property – Investment Asset	(1,288)	-
Increase in creditors within one year	1,429	369
Adjustment for pension funding	(790)	126
Decrease/(increase) in debtors & stock	736	(213)
Net dividends, interest and returns on investments	(943)	(1,018)
Net cash provided by operating activities	7,223	5,697

Analysis of changes in cash during the year

	£' 000	£' 000
At 1 April	14,486	5,523
Net cash inflow	(10,154)	8,963
At 31 March	4,332	14,486

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Notes to the Accounts for the year ended 31 March 2019

Analysis of change in net debt for the year

	At 1 April 2018	Cashflow	At 31 March 2019
	£' 000	£' 000	£' 000
Cash at bank and on hand	14,486	(10,154)	4,332
Bank Overdraft	-	-	-
Barclays loan	(5,232)	(7,300)	(12,532)
	9,254	(17,454)	(8,200)

Analysis of cash and cash equivalents

	2019 £' 000	2018 £' 000
Cash in Hand	4,332	4,231
Notice Deposits (less than 3 months)	-	10,255
Total cash and cash equivalents	4,332	14,486

26. Contingent Liabilities

There were no contingent liabilities at 31 March 2019. (2017/18 NIL).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

27. Pensions

General

Jewish Care has two pension schemes, the first being the Group Personal Pension plan, a defined contribution scheme administered by Legal and General, with total contributions (employer and employee) of £2.8m (2017/18: £2.7m) were paid in the year ended 31 March 2019. Liabilities at the 31 March 2019 were £293,013 due to timing (2017/18: £232,177). The second is the Jewish Care Pension Scheme, a defined benefit scheme for the benefit of the employees; the scheme was closed to new entrants on the 1 February 2006 and closed to future benefit accrual as at the 31 March 2011. The assets of the scheme are administered by the Jewish Care Pension Scheme Trustees in a fund separate from that of the Charity. A full actuarial valuation was carried out at 1 April 2016 by Barnet Waddingham with the next triennial valuation due as at the 1 April 2019. In relation to the deficit on the defined benefit pension scheme, an arrangement is in place for Jewish Care and JCHA (Jewish Community Housing Association) agreed by the Jewish Care Pension Trustees in relation to the actuarial assumptions and the recovery plan with relevant contribution arrangements. A collateral security arrangement (fixed security on the Maurice and Vivienne Wohl Campus) a deed of priority and a revised investment strategy have been agreed by Jewish Care and the Pension Trustees. This reduces the charity's exposure to any potential deterioration in the future. In agreement with the Pension Trustees, the contributions to the scheme from Jewish Care continue at an annual payment of £1.5m from April 2019 (£1.5m April 2018).

The cash contribution made by the employers over the financial year in respect of the scheme was £1,586,000 (2017/18: £1,526,000). The charge to the accounts under FRS102 was £796,000 (2017/18: £673,000). The contribution rate made by the Company as a percentage of pensionable salary was 4% (2017/18: 4%).

The principal actuarial assumptions used in the FRS102 calculations are as set out below:

	2019	2018
Discount rate	2.40% p.a.	2.65% p.a.
Retail price index (RPI) inflation	3.50% p.a.	3.50% p.a.
Consumer price index (CPI) inflation	2.50% p.a.	2.50% p.a.
Pension increases		
RPI max 5%	3.35% p.a.	3.35% p.a.
RPI max 2.5%	2.30% p.a.	2.30% p.a.
CPI max 3%	2.10% p.a.	2.10% p.a.
Pre and Post retirement mortality assumption*	100% of S2NXA CMI_2017 [1.25%]	100% of S2NXA CMI_2017 [1.25%]
Tax free cash	Members are assumed to commute 25% of their pension as tax free cash.	Members are assumed to commute 25% of their pension as tax free cash.

*see extract from table below for a male and female member at life expectancies age 45 and 65

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

27. Pensions (cont'd)

Life expectancy at age 65 Mortality assumption	31 March 2019 Years	31 March 2018 Years
Male currently aged 45	23.6	23.5
Female currently aged 45	25.7	25.7
Male currently aged 65	22.2	22.2
Female currently aged 65	24.2	24.2

Amounts recognised in the Balance Sheet	Value at 31 March 2019 £' 000	Value at 31 March 2018 £' 000
Fair value of assets	52,338	50,685
Present value of funded obligations	(66,958)	(66,431)
(Deficit)	(14,620)	(15,746)

Amounts recognised in the Statement of Financial Activities over the year	31 March 2019 £' 000	31 March 2018 £' 000
Current service cost	-	-
Administration costs	262	245
Interest on liabilities	1,712	1,780
Interest in assets	(1,312)	(1,352)
Past service cost	134	-
Settlement cost	-	-
Total	796	673

Re-measurements over the year	31 March 2019 £' 000	31 March 2018 £' 000
(Gain) on scheme assets in excess of interest	(2,679)	(301)
Experience (gains)loss on liabilities	(279)	273
(Gain)/Losses from changes to demographic assumptions	-	(390)
Losses from changes to financial assumptions	2,622	530
Changes in effect of asset ceiling	-	-
Total re-measurements (gain)/loss	(336)	112

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

27. Pensions (cont'd)

Reconciliation of assets and Defined Benefit Obligation

The change in the assets over the period was:	31 March 2019	31 March 2018
	£' 000	£' 000
Fair value of assets at the beginning of the period	50,685	51,093
Interest on assets	1,312	1,352
Company contributions	1,586	1,526
Benefits paid	(3,662)	(3,342)
Administration Costs	(262)	(245)
Change due to settlements	-	-
Return on plan assets less interest	2,679	301
Fair value of assets at the end of the period	52,338	50,685

The change in the liabilities over the period was:	31 March 2019	31 March 2018
	£' 000	£' 000
Defined Benefit Obligation at the beginning of the period	66,431	67,580
Past service cost	134	-
Interest cost	1,712	1,780
Benefits paid	(3,662)	(3,342)
Change due to settlements	-	-
Experience (gain)/loss on defined benefit obligation	(279)	273
Changes to demographic assumptions	-	(390)
Changes to financial assumptions	2,622	530
Defined Benefit Obligation at the end of the period	66,958	66,431

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

28. Commitments under operating leases

Group - Payments

The groups future minimum operating lease payments are as follows:

	2019	2018
	£' 000	£' 000
Within one year	573	551
Between one and five years	954	978
Over five years	3,121	3,096

The charge to the Statement of Financial Activities in 2019 is £654k (2017/18: £594k). £385k (2017/18: £408k) relates to the lease of buses and photocopiers with the £269k (2018: £185k) relating to property.

Company - Payments

The company's future minimum operating lease payments are as follows:

	2019	2018
	£' 000	£' 000
Within one year	366	366
Between one and five years	123	237

The charge to the Statement of Financial Activities in 2019 is £385k (2017/18 £408k). £385k relates to the lease of buses and photocopiers.

Group – Receipts

The groups future minimum operating lease receipts are as follows:

	2019	2018
	£' 000	£' 000
Within one year	55	76
Between one and five years	112	130
Over five years	27	55

The Group receipts relate to the lease of part of Leila's House by JAMI to MIND in Barnet and to Norwood Schools Ltd.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

29. Contingent Assets

At 31 March 2019, the Group had been notified of their legal entitlement to legacies but the amount is subject to finalisation. Amounts due will be recognised in the accounts when the values are determined with reasonable certainty.

30. Capital Commitments

In July 2017, Jewish Care's 100% subsidiary Community Trading Limited entered into a capital commitment to develop Wohl Court, the independent living site at Hendon (amount committed at the 31 March 2018: £6.3m). Wohl Court completed in January 2019, so the capital commitment has expired in relation to this development. In July 2017, Community Trading Limited also entered into a capital commitment to develop the care campus, Sandringham at Stanmore, the unexpired amount of the capital commitment at the 31 March 2019 is £15.7m (amount committed at the 31 March 2018 £34.2m).

31. Related Party Transactions

In 2019 the following transactions took place between the Charity and its related parties:

Community Trading Limited (Subsidiary):

The transfer under gift aid of the trading profits of Community Trading Limited in the amount of £704,688 (2017/18: £818,953) to Jewish Care. At the 31 March 2019 there were amounts owed to Community Trading Limited of £979,889 (2017/18: owed from £2,598,606)

Joel Emanuel Almshouse Trust (Subsidiary):

Jewish Care operates Sidney Corob House on behalf of the Joel Emanuel Almshouse Trust. At the 31 March 2019 there were amounts owed to the Joel Emanuel Almshouse Trust of £322,177 (2017/18 owed to the Joel Emanuel Almshouse Trust £267,260).

JC Switzerland Foundation (Common Trustee):

JC Switzerland is an independent foundation. At the 31 March 2019 there were amounts owed to Jewish Care of £36,483 (2017/18 £36,483).

Jewish Association for Mental Illness (Subsidiary):

The transfer of grant funding to the Jewish Association for Mental Illness in the amount of £765,257 (2017/18: £765,257). At the 31 March 2019 there was an amount due to Jewish Care of £1,311 from the Jewish Association for Mental Illness (2017/18: owed from Jewish Association for Mental Illness £57,513).

Two JAMI Trustees are also Trustees of Charitable Trusts which made donations to JAMI during the year. Robert Shemtob is a Trustee of the K C Shasha Charitable Trust, amount received £12,000 (2017/18: £NIL) and Raymond Harris is a Trustee of the Atkin Foundation, amount received £50,000 (2017/18: £50,000).

Key Management personnel also comprise the Board of Trustees. None of the Trustees received any remuneration or expenses from their work associated with the Charity. Donations received from Trustees without restrictions were £485,218 (2017/18: £311,077).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2019

32. Consolidated Statement of Financial Activities for the year ended 31 March 2018

2018

Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£' 000	£' 000	£' 000	£' 000
Income and endowments from:				
Donations and legacies	16,273	1,681	-	17,954
Capital project donations	-	7,061	-	7,061
Charitable activities	31,364	-	-	31,364
Other trading entities	134	-	-	134
Investments	1,107	-	-	1,107
Disposal of Property	6,110	-	-	6,110
Total	54,988	8,742	-	63,730
Expenditure on:				
Raising funds:				
<i>Fundraising</i>	3,329	-	-	3,329
<i>Investment fees</i>	89	-	-	89
Charitable activities	48,763	1,525	83	50,371
Other expenditure	2,022	-	-	2,022
Total	54,203	1,525	83	55,811
Net gains on investments	963	-	110	1,073
Net income	1,748	7,217	27	8,992
Transfer between funds				
Actuarial (loss) on defined benefit pension schemes	(112)	-	-	(112)
Net movement in funds	9,196	(343)	27	8,880
Reconciliation of funds:				
Total funds brought forward	94,626	3,718	16,407	114,751
Total funds carried forward	103,822	3,375	16,434	123,631