

COMPANY NUMBER: 937882

REGISTERED CHARITY NUMBER: 257345

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

Report and Financial Statements
Year Ended 31 December 2019

CONTENTS	PAGE
Reference and Administrative Information	3 - 4
Trustees Report	5 - 11
Independent Auditors Report	12 - 14
Statement of Financial Activities	15
Statement of Financial Position	16
Statement of Cash Flows	17
Notes to the Accounts	18-38

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

Keith Price
Reza Razavi
Hilary Roer
Naomi Simmonds
John Sabel
Martin Silverman
Philip Silverton - appointed June 2019
Paula Wood - appointed April 2019
Roger Woolf - resigned January 2019

Sextons

Mitzi Kalinsky
Ian Jacobs

Registered Office and Principal Address

1 Victory Road
Wanstead
London
E11 1UL

Auditors

Nyman Libson Paul
Chartered Accountants
Regina House
124 Finchley Road
London NW3 5JS

Bankers

CAF BANK Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

National Westminster Bank Plc
104 Tottenham Court Road
London W1A 3AQ

Investec Bank plc
30 Gresham Street
London EC2V 7QP

Investment Managers

Investec Wealth and Investment Limited
30 Gresham Street London EC2V 7Q

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

The Trustees (also known as Governors), who are also directors of the Company, present their report together with the financial statements of the Charity for the year ended 31 December 2019.

Legal and reference information set out on pages 3 and 4 forms part of this report.

Structure, governance and management

The Society was set up in 1968 as a company limited by Guarantee. Governance of the Society is by the Board of Governors, each member synagogue being entitled to appoint one Governor and an alternate. There are also eight elected Governors, elected by the other Governors. The Governors meet about four times a year. The Chairman oversees the day to day operations which are run by the Sextons. All major decisions are ratified by the Board of Governors. A sub-committee reviews the Society's risks, investments and loans. The Society also has a Grants Committee.

The Trustees consider the principal risks and uncertainties annually and compile a risk register in which each risk is evaluated on a scale for probability and severity of impact. The work has identified that the major financial risk is that the actuarial calculation is based on incomplete or inadequate data. There is also an operational risk that there will be a loss of key employees and key Trustees. There are regular meetings of elected Trustees with staff to ensure management is coordinated with the decisions of the Trustees. There is an induction pack for training of new Trustees.

Trustees give of their time freely and receive no remuneration or expenses in the year.

A new Health and Safety Policy was approved in June 2019. This included consideration of safety of staff and visitors on the site, lone working and manual handling. There was also a full risk assessment performed and adjustments made where necessary.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings with particular reference to the pay reviews undertaken by The Movement for Reform Judaism. Further increases in pay are given where extra responsibility has been given.

Objects and activities of the Society

The objects of the Charity as contained in the Memorandum are the provision of burial and cremation facilities and services for members of Synagogues and their dependents in the United Kingdom of Great Britain and Northern Ireland and for such other charitable purposes which accord with the principles of Judaism as the Governors may from time to time determine.

The Trustees regularly review the Society's objects and values to ensure they continue to reflect their aims. In carrying out this review the Trustees have considered the Charity Commission's guidance on public benefit. The Society provides opportunity for non-Jewish partners to be buried alongside their Jewish family on the same terms as the Jewish members. Smaller Jewish communities who find that burial costs are increasingly high are encouraged to join the scheme. The Society will provide funerals for same sex couples and transgender individuals.

The surplus on non-member funerals is used for a number of charitable purposes. It is used to subsidise the funerals of Jewish people for those of little means and those killed due to war or terrorism. The subsidy was £33,000 (2018 £38,000). The non-member surplus is also used to provide grants to projects contributing to any Jewish community for bereaved, communal or educational projects or for projects of benefit to the Jewish community. In 2019 £45,100 (2018 £46,960) was paid.

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

In addition to the regular grants noted above, it was agreed in October 2017, to make a grant of £150,000 to the Leo Baeck College in 5 tranches of £30,000 annually, starting in 2017. The entire grant was charged to the 2017 accounts. This grant is to help fund a 5-year vocational programme for rabbinic students. It aims to teach the students the skills they will need to become outstanding rabbis for our communities.

Loans are made available to communities to fund capital projects and there are currently two such loans outstanding. The mixed motive loan to St Albans Masorti Synagogue was granted in 2012 for up to £100,000 bearing an interest rate of 1.5% over base rate. There is also a programme related loan originally of £108,750 in 2007 given to Wimbledon Reform Synagogue to purchase local land for burial at Randalls Park which does not bear interest and is repaid as the plots are used.

The charity is committed to best practice, as outlined by the Fundraising Regulator, in its approach to fundraising and closely monitors its activities in this area, ensuring that vulnerable members are protected. The charity does not engage in direct fundraising from the general public. No professional fundraisers are used by the charity.

Membership of the Society is of two types - London or National. All London members have appointed Governors but only two National members have done so as yet.

- For London members, the Society provides a burial plot or a cremation and pays for the cost of a standard funeral. The main burial ground is at Cheshunt. These members tend to be based within the M25. The Society subcontracts the undertaking service.
- The National members normally bury outside London and the funeral is organised by the local synagogue and not by the Society. The Society contributes towards the total cost of the funeral up to pre-determined limits.

The Society charges the London Synagogues, who are its members, an annual fee based on their declared full membership. The amount per-capita is set each year by the Governors, and it covers the cost of a funeral in the Society's main cemeteries and maintenance of the cemetery. National members pay a separate annual per capita sum towards the cost of burials in local cemeteries. It is the Society's objective to keep the costs as low as possible consistent with the Honorary Actuary's recommendations as part of his annual valuation. Funerals are also arranged for Jewish people who are not members of a synagogue for which a full charge is made.

The Society offers non-Jewish partners of synagogue members the opportunity to become Burial Subscribers and on payment of the same annual fee as synagogue members the same rights of burial or cremation. Each member synagogue can decide whether to offer this facility irrespective of how they recognise non-Jewish partners in their congregation. Non-Jewish partners of members who are not themselves subscribers may have a non-member funeral at a discounted rate.

The Society purchased the right to bury in a number of plots at the Western Cemetery, Bullsmoor Road, Cheshunt, from the Western Charitable Foundation which provides maintenance of the site and prepares the graves, for which the society pays a quarterly charge. Regular liaison meetings take place with the Western Charitable Foundation. In 2011 the Society purchased extra freehold land adjoining the original land at Cheshunt to enable it to undertake woodland burials and burials of non-Jewish partners. This land came into use in 2013.

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

The Society acquired burial plots at New Southgate Cemetery when Hendon Reform Synagogue became part of Edgware and Hendon Reform Synagogue and also has burial arrangements at Edgwarebury Cemetery through West London Synagogue

Achievements and performance

The number of funerals carried out during 2019 was 283 (2018 - 306). Of these 23% were for non-members (2018 24%). Of the funerals carried out 31% (2018 35%) were cremations. In addition, there were 75 (2018 - 87) funeral expenses claims paid to members. The number of adults covered by the London scheme as at the end of December 2019 was 15,109 (2018 – 15,106) and 2,403 (2018 - 2,407) by the National scheme.

There were 51 burials in the Woodland Cemetery (2018 - 50). Of these 19 (2018 - 13) were in the mixed faith areas. 123 people (2018 - 104) from 18 (2018 -16) synagogues have signed up to become members of the Non-Jewish Subscriber scheme. There were 11 interments of cremated ashes at the columbarium (2018 - 8). The Society also arranges stone settings and there were 122 (2017 - 116) in the Western Cemetery and 36 (2018 - 31) in the Woodland Cemetery. The use of the Woodland and Lawn Burial site is exceeding the original projections.

2137 (52%) (2018 2064 49%) of current relevant members have taken advantage of the late entry buy-out facility whereby they can pay the liability in advance at current rates rather than on death.

The Society has made good progress with landscaping the woodland cemetery by planting trees and woodland flowers and has created separate areas in the woodland cemetery with distinct 'garden' and 'natural' sections. In the garden section the graves are delineated and can be planted with woodland flowers which will naturalise over future years. In the natural area the graves are less defined and only wildflowers may be planted. Members choose to be buried in their preferred section. There is a list of permitted native plants and a charge is made for planting.

Work on the Woodland gathering hall started as planned in August 2019 with an expected cost of £1,650,000. At the year end 31 December 2019, £730,000 had been spent so far leaving £920,000 outstanding. The work was expected to complete in May 2020 however the contractor ceased work temporarily in March due to the Covid-19 pandemic. The work is now expected to be completed later in 2020. This hall can be used for mourners to provide refreshments to small parties of up to 50 people after a funeral or stonemasonry. In addition, there are purpose-built offices for the JJBS office staff who will relocate there as soon as is feasible.

The former Hendon area at the New Southgate Cemetery which was acquired in late 2017 continues to be improved and a further £3,300 has been spent on wall, path and fence repairs in the year. In total over £19,000 has been spent on repairs to date. This was partly financed by the contribution of £10,000 from Hendon Reform Synagogue.

The number of funerals have increased in 2020 due to the Covid-19 pandemic. The number of funerals to 21 May 2020 was 214 (2019 128). Due to the social distancing guidance and risks of infection to the rabbis and staff, no relatives were present at the funerals held from 23 March 2020 to 21 May 2020. Most relatives have been able to watch the service conducted by a rabbi using remote viewing programmes however the Society are keen to enable all mourners to attend special memorial services at the cemetery as soon as possible. In addition, there have been 39 stone settings delayed in 2020 and these will be scheduled as soon as possible. All services will continue to be organised within the government's guidelines.

The annual woodland memorial service was again held in September 2019, over 120 people attended and it was again very successful. It is not intended to conduct this service in 2020 as the priority will be given to recent mourners.

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

The Society are very grateful to the Senior Sexton, Mitzi Kalinsky and Sexton Ian Jacobs who deal empathetically with the bereaved relatives and who have effectively managed the additional pressure caused by Covid-19 this year. The staff have now been reorganised into three departmental areas of activity, each reporting to an Honorary Officer of the Society. The sextons remain under Mitzi Kalinsky, the grounds are now under Adam Cutler and the Finance and Administration will be under Mark Ebner who will join in May. Each department has faced considerable challenges whilst the office has been closed and attendance at funerals restricted. The trustees express their thanks to all of the staff for their work during the year.

Financial Review

Financial Position

There was a net deficit before investment movements during the year of £0.73m (2018 £0.27m gains). Total investment gains were £2.28m (2018 £1.10m losses) of which gains of £0.14m (2018 £0.12m) were realised.

During the year, fees per capita for members of London synagogues were £50 (2018 £49) and did not increase for 2020. The per capita fee for members of National synagogues was £64 for a benefit of £3,500 (2018 - £63 for a benefit of £3,300) and there was no change for 2020.

Investment Policy

As at December 2019, the Society's investments of £18.6m were invested as follows:

Equities	£15.1m
Bonds	£1.8m
Charity property funds and alternatives	£1.4m
Cash	£0.3m

A further £2.0m is held in current bank accounts.

Equities amounted to 81% (2018 73%) of the total managed investments, property and alternative funds 8% (2018 11%) and bonds and cash 11% (2018 16%).

Except for the cash in the bank accounts, funds are all managed by Investec. Other bank balances are held for cash flow and general expenditure and future capital investment including the current commitment for the Woodland gathering hall.

The investment objective set for the fund managers is based on consultation with the investment managers and on actuarial input and is reviewed each May. The investment policy and fund performance is considered by the Investment and Risk sub-committee which meets three or four times a year. All policy recommendations are presented to the Governors for approval. The Trustees consider that investment performance is key to the success of the Society and therefore no Environmental, Social and Governance guidelines which may reduce returns have been set for Investec.

Investec manage the Society's investments with the objective of achieving a return of RPI + 3% p.a. over a rolling 5-year period and generating a 'Balanced' return between income and capital. Investec have defined this aim within their standard criteria as medium-high risk. A new asset allocation benchmark was agreed in July 2019:

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

Asset class	Allocation	Range	Benchmark
Bonds	10%	5%-25%	FTSE Govt All Stocks
Cash	2%	0-15%	Base
Alternatives	4%	0-10%	Base +2%
Property	4%	0-10%	IPD Monthly
UK Equities	45%	30%-55% (2018- 40% to 64%)	FTSE All Share
Overseas equities	35%	20%-45% (2018 – 15%-30%)	World Index ex UK

At least 25% of the UK Equities benchmark weighting and 25% of the Overseas Equities benchmark weighting are held in tracker funds and rebalanced quarterly, if necessary, to within 0.5%. This is intended to reduce risk and to provide an additional performance benchmark.

Investec produce a quarterly summary of the holdings within the portfolio, transactions undertaken and total return performance data for each asset class against the appropriate benchmark, as well as the performance of the overall portfolio against its bespoke benchmark. Investec manage the investments on a discretionary basis, so the Society takes no part in their day to day management although meetings are held at least annually with Trustees.

Investment Performance

The total return of the Society's professionally managed assets was 17.4% (2018 -3.9%) gross of fees, equivalent to 17.0% net of fees. Although all equity markets recovered well during the year, the total return on the portfolio exceeded the bespoke benchmark by 0.3% and would have been 0.6% higher were it not for the lower performance of the index tracking funds relative to the managed funds. The high equity returns were partly a result of the easing of trade tensions and fiscal expansion in the US. The policy of having a balanced portfolio, invested on a long-term view, producing income and growth and a high level of diversification remains in place and there are no plans to alter this policy. Since the year end, bond and equity markets have suffered considerable losses, although at the date of writing there has been some recovery from the March 2020 lows. It is too early to gauge what the ultimate effects of the pandemic will be on the Society's investments.

Reserves and Actuarial

The reserves of the Society at 31 December 2019 were £12.8m including £6.0m designated for future administrative costs (2018 £11.3m, £6.0m). The deferred income provision for future funeral costs was £11.1m (2018 £9.7m).

In 2016 the Society changed its reserves policy in order to incorporate the annual actuarial valuations within the published financial statements. The actuarial valuations, which are performed by the Honorary Actuary who is an Elected Governor and a Fellow of the Institute and Faculty of Actuaries, are based on the 2000 Series tables issued by the Continuous Mortality Investigation Board of the Actuarial Profession, There is a small adjustment to reflect the lower mortality experienced by the Society but no allowance for future improvements in mortality.

The actuarial review, performed this year in March 2020, is used to calculate the reserves needed for the future cost of funerals and future costs of burial administration. It is also used to inform the fees and charges for the coming year. The fees are set to cover current costs and to build up reserves to cover the future costs of funerals and maintenance for existing synagogue members. The Society aims to maintain reserves adequate to fund fully the funeral commitments to existing members and future administrative costs. The commitment is to *existing* members only and does not include any assumptions regarding contributions from possible *future* members.

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

The reserves are split into the three constituent parts: the first actuarially calculated element is for future funeral costs, including those funded by late entry receipts, and is on the balance sheet as a deferred creditor. Each year, only the actual cost of funerals, cremations and related costs incurred during the year are charged to the Statement of Financial Activities. The second element of reserves is the amount, also actuarially calculated, required for future administrative and burial administration costs and this is held as a designated fund. The third element will remain in general reserves and is the amount available to fund current expenditure. This includes any surplus or shortfall on “free reserves”.

The aim of this policy is to enable assessment of the funding requirements over the longer term and better inform the Trustees in making decisions regarding required future subscription rates and investment returns. The inclusion in the reporting of the actuarial valuations of reserves required is critical because of the very long-term nature of the Scheme.

The policy of the Trustees is to maintain reserves that will provide a stable base from which to fund the charity's future activities whilst ensuring that excessive funds are not accumulated. They consider that the lesser of six months of total expenses or £500k should be kept as free reserves although the investments and cash would be available for short term funding if necessary.

The free reserves are calculated as follows:

£ million	2019	2018
Unrestricted reserves	12.8	11.3
Less: unrestricted designated funds	<u>(6.1)</u>	<u>(6.3)</u>
Reserves in the general fund	6.7	5.0
Less fixed assets	<u>(3.5)</u>	<u>(2.9)</u>
Free Reserves	<u>3.2</u>	<u>2.1</u>

The actual level of reserves in any year depends on both the actuarial figures and the investment returns and will change from year to year. The Trustees aim to maintain an adequate level of reserves by considering the position over a 5-year period to enable them to smooth any changes required to the subscription rates.

Plans for future periods

- It is hoped to complete work on the Woodland gathering hall during 2020 and the office staff will move into the building shortly afterwards. Mourners will be able to use the gathering hall for refreshments after their service when the facility opens. This however will be subject to social distancing requirements.
- When the gathering hall and office is complete, it is intended to create an adjacent Woodland Memorial garden.
- A Chartered Accountant has been employed as Head of Administration and Finance to start in May 2020.
- The Society has approved a new constitution which will be finalised when the trustees are able to meet again in person. This creates a new structure for the Trustees which complies with the Charity Commission's Governance code for larger charities.
- A Health and Safety Policy covering fire and other risks will soon be prepared for the Woodland Gathering Hall.

JEWISH JOINT BURIAL SOCIETY

(A Company Limited by Guarantee)

Report of the Trustees Year Ended 31 December 2019

Trustees' responsibilities statement

The Trustees (who are also directors of Jewish Joint Burial Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Disclosure of information to auditors

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Society's auditors are unaware, and
- The trustee has taken all steps that ought to have been taken as trustee in order to be aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

This report was approved by the Trustees, on 24 June 2020 and signed on their behalf by:

D Leibling
Chair

P.B. Vos
Treasurer

The notes on page 18-38 form part of these financial statements

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JEWISH JOINT BURIAL SOCIETY

Opinion

We have audited the financial statements of Jewish Joint Burial Society (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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 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.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JEWISH JOINT BURIAL SOCIETY
(CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

Opinion 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JEWISH JOINT BURIAL SOCIETY
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 Auditors' Report.

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jennifer Pope (Senior Statutory Auditor)

for and on behalf of

Nyman Libson Paul
Chartered Accountants
Statutory Auditors
Regina House
124 Finchley Road
London
NW3 5JS

24 June 2020

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:				
Charitable activities	3	735,406	735,406	1,316,755
Investments	4	505,001	505,001	454,256
Other income		572	572	840
		<u>1,240,979</u>	<u>1,240,979</u>	<u>1,771,851</u>
Total income				
Expenditure on:				
Raising funds	5	80,067	80,067	69,240
Charitable activities	6	1,887,339	1,887,339	1,435,140
		<u>1,967,406</u>	<u>1,967,406</u>	<u>1,504,380</u>
Total expenditure				
Realised gains on investments	14	138,811	138,811	123,763
		<u>(587,616)</u>	<u>(587,616)</u>	<u>391,234</u>
Net movement before other recognised gains and losses				
Other recognised gains:				
Unrealised gains/(losses) on investments	14	2,137,305	2,137,305	(1,216,064)
		<u>1,549,689</u>	<u>1,549,689</u>	<u>(824,830)</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		11,275,603	11,275,603	12,100,433
Net movement in funds		1,549,689	1,549,689	(824,830)
		<u>12,825,292</u>	<u>12,825,292</u>	<u>11,275,603</u>
Total funds carried forward				

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 38 form part of these financial statements.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00937882

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	3,492,443	2,921,080
Investments	14	18,556,905	15,860,277
Social investments	15	95,619	108,338
		<u>22,144,967</u>	<u>18,889,695</u>
Current assets			
Debtors	16	266,339	233,766
Investments	17	1,447,083	1,482,670
Cash at bank and in hand		525,085	666,021
		<u>2,238,507</u>	<u>2,382,457</u>
Creditors: amounts falling due within one year	18	(464,497)	(264,559)
Net current assets		<u>1,774,010</u>	<u>2,117,898</u>
Total assets less current liabilities		<u>23,918,977</u>	<u>21,007,593</u>
Creditors: amounts falling due after more than one year	19	(11,093,685)	(9,731,990)
Total net assets		<u><u>12,825,292</u></u>	<u><u>11,275,603</u></u>
Charity funds			
Unrestricted funds	21	12,825,292	11,275,603
Total funds		<u><u>12,825,292</u></u>	<u><u>11,275,603</u></u>

The financial statements were approved and authorised for issue by the Trustees on 24 June 2020 and signed on their behalf by:

D Leibling
Chair

P. B. Vos
Treasurer

The notes on pages 18 to 38 form part of these financial statements.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Net cash used in operating activities	478,034	1,694,130
Cash flows from investing activities		
Dividends, interests and rents from investments	479,339	433,620
Investment charges	(72,407)	(69,240)
Purchase of tangible fixed assets	(678,938)	(350,904)
Proceeds from sale of investments	1,822,585	1,137,558
Purchase of investments	(2,205,136)	(1,686,717)
Net cash used in investing activities	(654,557)	(535,683)
Change in cash and cash equivalents in the year	(176,523)	1,158,447
Cash and cash equivalents at the beginning of the year	2,138,472	980,025
Cash and cash equivalents at the end of the year	<u>1,961,949</u>	<u>2,138,472</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Jewish Joint Burial Society is a private company limited by guarantee, incorporated in England and Wales. The address of its registered office and place of business is 1 Victory Road, Hermon Hill, Wanstead, London, E11 1UL. The principal activity is the provision of burial and cremation facilities and services for members of Synagogues and their dependents.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Jewish Joint Burial Society 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.

2.2 Company status

The company is a private company limited by guarantee and has no share capital. The members of the company are the Trustees (also known as governors), named on pages 3 - 4. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have reviewed the company's forecasts, budgets and actuarial projections and have considered the circumstances of the Charity to determine whether it is appropriate to prepare these financial statements using the assumption that it will continue as a going concern for the next year.

The Scheme is long term by its nature and uses actuarial calculations to account for its commitment to provide for future funerals for current members. The Charity faces ongoing risks due to the Covid-19 pandemic; these are the significant loss in value since the year end of the Charity's investment portfolio and the accelerated costs of providing for funerals earlier than previously would have been actuarially expected. However these risks are not a threat in the short term to the going concern assumption.

Although the potential effects of the pandemic can be modelled, it is very difficult to determine the assumptions that will prove to be most appropriate and therefore there is an element of doubt existing that cannot be quantified.

The Charity has general reserves of over £6.7m. There is also an actuarial surplus and a surplus of free reserves as disclosed in the Trustees' Report. These reserves are sufficient to fund the charity's activities for a number of years. Therefore the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the use of judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Deferred income, which is a key item in the accounts, is based on an actuarial valuation which contains a number of assumptions regarding future income and expenditure including funeral costs, interest rates, investment income and mortality factors.

The very long term nature of the business means that there are significant uncertainties in each of these assumptions. These are reviewed by the trustees annually and over future periods there will be further actuarial reviews which may result in material adjustments to the carrying value of the deferred income.

2.5 Actuarial Assumptions

The target rate of return on the Society's investment assets (net of investment management expenses) is inflation as measured by CPI + 3%. The last actuarial valuation was in March 2020 and this assumes that investments will provide average long-term returns of 1% per annum greater than the escalation rate of the costs of The Society's funeral claims.

2.6 Income

All income, whether current or deferred, is recognised only when the amount received can be measured reliably.

That part of subscription income which relates to the performance of future funerals is treated as deferred income on the balance sheet. This provision is credited to income on the death of the individual which is at an unknown future date. The balance held is actuarially revalued regularly in line with the age of the member, the scale rate for a funeral and the mortality factor. The changes in the actuarial valuation are taken annually to the Statement of Financial Activities.

The late entry payments (previously known as age-related adjustments) are from individual members who joined the scheme over the age of 50 and therefore incurred an additional liability which is due on death. The member may buy out their liability which is calculated as a percentage based on the age at joining and the scale rate which applied at that date. The buy outs are deferred income and form part of the creditors falling due after more than 1 year. They are credited to income on the death of the member.

The extra charges made for a woodland funeral and those paid by non Jewish partners are repayable at the request of the individual. These are held in creditors falling due after more than one year and credited to income on the death of the individual.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designated fund for future administrative costs is actuarially calculated and is monies set aside from current subscription income which will be credited to general reserves on the future death of the individual.

2.8 Interest and dividends receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

Dividends are recognised once the share price has been adjusted to allow for the forthcoming payment. The actual payment is credited to the capital account at the end of the month in which it is received.

2.9 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis. Support costs are allocated to charitable costs in total as no meaningful allocation can be made to constituent charitable costs. Irrecoverable VAT is included with the expense item to which it relates.

Grants are paid out of the surplus arising from non member funerals. Grants payable are charged in the year when agreed by the trustees. The provision for a multi year grant where there are no unfulfilled performance conditions is accrued once agreed by the trustees.

Governance costs are the costs of providing information to and attendance at trustees' meetings.

2.10 Tangible fixed assets and depreciation

Amortisation is calculated to write off the cost of the burial grounds in proportion to the numbers of graves used in the year.

Individual or groups of fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Cemetery improvements	- 20 years
Cemetery equipment	- 5 - 30 years
Prayer hall	- 50 years
Prayer books	- 5 years

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The profit and loss account recognises the realised gains on investment.

Current asset investments are a form of financial instrument and are initially recognised at their transaction value. The current asset investments are subsequently measured at their transaction value plus an accrual for interest receivable on maturity of the investment. Interest receivable is recognised in the statement of financial activities. Current asset investments are a high rate deposit account.

2.12 Social investments

Social investments are held to further the charitable purpose of the charity, consisting of programme related and mixed motive investments, both of which comprise public benefit concessionary loans.

Public benefit concessionary loans are arrangements entered into at below the prevailing rate of interest for the purposes of furthering the objectives of the charity. The loans are held at cost plus accrued interest, less repayments and impairment. Loans not due to be repaid until after one year are included in fixed assets and those due to be repaid within one year are included in current asset investments.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 Liabilities and provisions

Creditors are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.16 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.17 Pensions

The charity makes contributions into a money purchase pension scheme for qualifying staff and costs are charged to the Statement of Financial Activities as they are incurred.

2.18 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

3. Income from charitable activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
London member funeral income	556,541	556,541	552,117
London member maintenance income	201,823	201,823	200,039
National member funeral income	153,364	153,364	148,987
Woodland surcharge on funeral	143,520	143,520	221,375
Non-member cremations	119,478	119,478	112,162
Tombstone fees	81,998	81,998	63,333
Non-member burials	78,000	78,000	118,000
National member receipts to income	38,903	38,903	62,285
Funeral extras	13,519	13,519	13,627
Other income	18,369	18,369	13,678
	<u>1,405,515</u>	<u>1,405,515</u>	<u>1,505,603</u>
Less: movements within deferred creditor:			
Future funerals	(48,189)	(48,189)	165,861
Late entry	(621,920)	(621,920)	(354,709)
Total 2019	<u><u>735,406</u></u>	<u><u>735,406</u></u>	<u><u>1,316,755</u></u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Dividends received from equity shares	412,812	412,812	347,077
Bank interest	14,036	14,036	1,680
Loan interest	632	632	834
Interest received on the investment portfolio	77,521	77,521	104,665
	<u>505,001</u>	<u>505,001</u>	<u>454,256</u>

5. Investment management costs

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment management fees	<u>80,067</u>	<u>80,067</u>	<u>69,240</u>

6. Resources expended - charitable activities

	2019 £	2018 £
Grants payable (note 7)	45,100	46,960
Direct costs (note 8)	1,642,585	1,170,702
Support costs (note 8)	199,654	217,478
	<u>1,887,339</u>	<u>1,435,140</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Grants payable

	2019	2018
	£	£
Ahada Bereavement Support	-	2,500
British Lung Foundation	100	-
Cambridge RCH	-	1,500
Clore Tikvah School	2,000	-
Edgware & Hendon Reform	1,200	960
Foundation for Jewish Heritage	2,400	-
Finchley Reform	-	1,600
Gesher EU Support Network	3,000	2,400
Harrow Bereavement	2,500	2,500
Jewish Association for Mental Illness	-	1,500
Jewish Bereavement Counselling	2,500	2,500
Kehillat Kernow	2,250	5,000
Leo Baeck College	11,500	12,000
Moishe House	2,500	2,000
Paperweight Trust	2,500	-
Raphael Centre	2,000	2,500
Movement for Reform Judaism	6,600	-
RSY Netzer	-	3,000
SW Essex Reform	-	1,000
The Together Plan	2,000	2,000
UJIA	-	2,000
UK Friends of Jordan	-	2,000
West London Synagogue	2,050	-
	45,100	46,960
	45,100	46,960

In December 2017 it was agreed to make a special grant of £150,000 to the Leo Baeck College paid in five tranches. The final payment of £30,000 is due in September 2021. These funds are to support the Vocational Programme which covers all 5 years of the Rabbinic training.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Charitable activities	1,642,585	45,100	199,654	1,887,339

	Activities undertaken directly 2018 £	Grant funding of activities 2018 £	Support costs 2018 £	Total funds 2018 £
Charitable activities	1,170,702	46,960	217,478	1,435,140

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Maintenance of grounds	224,793	225,250
Burials	219,325	206,689
Cremations	160,759	189,514
National funeral expense claims	199,069	209,294
Tahara	27,561	28,366
Bank charges	2,214	1,515
Woodland gardening and maintenance	128,202	106,022
Columbarium	1,993	2,843
Depreciation of grounds and improvements	104,986	99,917
Bad debts	33,000	(16,767)
Sub total	1,101,902	1,052,643
Expenditure movement on deferred creditor	540,683	118,059
	1,642,585	1,170,702

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Salaries	133,189	138,037
Rent	6,910	6,000
Telephone	5,403	3,720
Printing, postage & stationery	3,457	2,171
Bank charges	173	192
Travel expenses	1,680	3,270
Sundry expenses	775	3,120
Insurance	1,129	614
Office cleaning	540	955
Accountancy and HR consultancy	19,795	11,032
Legal fees	-	11,038
Information technology	12,361	25,175
Depreciation	2,589	2,544
Governance costs	11,653	9,610
	<u>199,654</u>	<u>217,478</u>

9. Governance costs

	2019 £	2018 £
Audit fees	10,850	9,420
Costs relating to funerals	803	190
	<u>11,653</u>	<u>9,610</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. Number of funerals

	2019			2018		
	Members	Non-Members	Total	Members	Non-Members	Total
Western	112	9	121	114	16	130
Woodland	33	18	51	27	23	50
Edwarebury	15	-	15	10	1	11
Southgate	2	-	2	3	-	3
Other cemeteries	5	1	6	6		6
	<u>167</u>	<u>28</u>	<u>195</u>	<u>160</u>	<u>40</u>	<u>200</u>
Golders Green	42	29	71	60	29	89
Other crematoria	10	7	17	13	4	17
	<u>52</u>	<u>36</u>	<u>88</u>	<u>73</u>	<u>33</u>	<u>106</u>
	<u>219</u>	<u>64</u>	<u>283</u>	<u>233</u>	<u>73</u>	<u>306</u>

11. Staff costs

	2019 £	2018 £
Wages and salaries	192,277	168,716
Social security costs	15,846	13,888
Other pension costs	21,820	19,563
	<u>229,943</u>	<u>202,167</u>

The average number of persons employed by the Company during the year was as follows:

	2019 No.	2018 No.
Office	5	6
Cemetery	3	3
	<u>8</u>	<u>9</u>

No employee received remuneration amounting to more than £60,000 in either year.

Amount paid to key management personnel during the year totalled £nil (2018: £nil).

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. Trustees' remuneration and expenses

During the year, no Trustee received any remuneration or other benefits (2018: £9,008).

During the year ended 31 December 2019, no Trustee expenses have been incurred (2018 - £NIL).

13. Tangible fixed assets

	Woodland Cemetery £	Western & other cemeteries £	Prayer Hall & Woodland Office £	Computers & office equipment £	Prayer books £	Total £
Cost or valuation						
At 1 January 2019	1,666,313	545,765	1,184,589	7,475	14,673	3,418,815
Additions	72,350	-	605,542	1,046	-	678,938
At 31 December 2019	<u>1,738,663</u>	<u>545,765</u>	<u>1,790,131</u>	<u>8,521</u>	<u>14,673</u>	<u>4,097,753</u>
Depreciation						
At 1 January 2019	284,208	117,761	77,476	5,455	12,835	497,735
Charge for the year	72,043	10,997	22,094	1,501	940	107,575
At 31 December 2019	<u>356,251</u>	<u>128,758</u>	<u>99,570</u>	<u>6,956</u>	<u>13,775</u>	<u>605,310</u>
Net book value						
At 31 December 2019	<u><u>1,382,412</u></u>	<u><u>417,007</u></u>	<u><u>1,690,561</u></u>	<u><u>1,565</u></u>	<u><u>898</u></u>	<u><u>3,492,443</u></u>
At 31 December 2018	<u><u>1,382,105</u></u>	<u><u>428,004</u></u>	<u><u>1,107,113</u></u>	<u><u>2,020</u></u>	<u><u>1,838</u></u>	<u><u>2,921,080</u></u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Fixed asset investments

	Listed investments £	Cash £	Total £
Cost or valuation			
At 1 January 2019	15,041,694	818,583	15,860,277
Additions	2,776,526	(2,776,526)	-
Disposals	(1,809,234)	1,809,234	-
Unrealised gains	2,137,305	-	2,137,305
Realised gains	138,811	-	138,811
Investment income reinvested	25,242	479,339	504,581
Cash withdrawn	(11,662)	-	(11,662)
Investment charges to income	-	(72,407)	(72,407)
At 31 December 2019	18,298,682	258,223	18,556,905
Net book value			
At 31 December 2019	18,298,682	258,223	18,556,905
<i>At 31 December 2018</i>	<i>15,041,694</i>	<i>818,583</i>	<i>15,860,277</i>

Listed investments at market value comprised

	2019 £	2018 £
Debenture and unsecured stocks	1,179,691	1,031,311
UK equities and unit trusts	8,967,310	7,816,675
UK Fixed interest securities	591,802	622,359
Charity property funds	1,459,725	1,806,588
Foreign equities and unit trusts	6,100,154	3,764,761
	18,298,682	15,041,694

All fixed asset investments are held with Investec Wealth & Investment.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. Social investments

	Programme related investments £	Mixed motive investments £	Total £
Cost or valuation			
At 1 January 2019	81,250	27,088	108,338
Additions - loan interest	-	632	632
Repayments	(2,500)	(10,851)	(13,351)
	<u>78,750</u>	<u>16,869</u>	<u>95,619</u>
At 31 December 2019	<u>78,750</u>	<u>16,869</u>	<u>95,619</u>
At 31 December 2018	<u>81,250</u>	<u>27,088</u>	<u>108,338</u>

The programme related loan is made to Wimbledon and District Synagogue. The loan is interest free and repayable in irregular instalments as the Synagogue use the burial plots which were purchased through the granting of this loan.

The mixed motive loan is made to St Albans Masorti Synagogue. It is repayable by quarterly installments; interest is charged at 2.25% per annum. The amounts received within 12 months are disclosed within current assets investments (note 17).

16. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	240,349	222,631
Prepayments and accrued income	25,990	11,135
	<u>266,339</u>	<u>233,766</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

17. Current asset investments

	2019 £	2018 £
Mixed motive investments - St Albans Masorti Synagogue	10,219	10,219
CAF bank Limited Gold Account	175,309	1,472,451
Investec bank 75 day notice	1,261,555	-
	<u>1,447,083</u>	<u>1,482,670</u>

18. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	311,907	160,162
Other taxation and social security	7,045	6,795
Other creditors	59,500	26,395
Accruals and deferred income	86,045	71,207
	<u>464,497</u>	<u>264,559</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

19. Creditors: Amounts falling due after more than one year

(a) Deferred Income and Accruals

	2019 £	2018 £
Other creditors - Grant to Leo Baeck	30,000	60,000
Accruals and deferred income	11,063,685	9,671,990
	11,093,685	9,731,990

(b) Deferred income from late entry and funeral payments received

	Balance at 1 January 2019	Income in the year	Expenditure in the year	Transfer	Balance at 31 December 2019
Late entry payments received	2,277,047	188,603	40,489		2,506,138
Funeral payments received	7,394,943	621,921	540,681		8,557,545
Deferred creditor for future burials and cremations	9,671,989	810,524	581,170	-	11,063,683
Grant to Leo Baeck	60,000			(30,000)	30,000
Total	9,731,989	810,524	581,170	(30,000)	11,093,683

(c) Actuarial derivation of the deferred creditor

Actuarial reserve required for future funeral costs	15,692,541	765,629	551,170	30,000	17,039,339
Admin and office designated fund	(6,020,551)	44,896	-	-	(5,975,655)
Deferred Creditor for future burials and cremations	9,671,990	810,525	551,170	30,000	11,063,684
Grant to Leo Baeck	60,000	-	-	(30,000)	30,000
Total	9,731,990	810,525	551,170	-	11,093,684

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

20. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>2,202,298</u>	<u>2,361,103</u>
	2019 £	2018 £
Financial liabilities		
Financial liabilities measured at fair value through income and expenditure	<u>311,907</u>	<u>160,162</u>

Financial assets measured at fair value through income and expenditure comprise cash and trade receivables.

Financial liabilities measured at fair value through income and expenditure comprise trade payables.

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
Designated funds					
Future office & admin cost	6,020,550	-	(44,896)	-	5,975,654
Grants	64,882	315,548	(364,639)	-	15,791
Garden area	157,187	-	(72,280)	-	84,907
	<u>6,242,619</u>	<u>315,548</u>	<u>(481,815)</u>	<u>-</u>	<u>6,076,352</u>
General funds					
General Funds	5,032,984	925,431	(1,485,591)	2,276,116	6,748,940
	<u>11,275,603</u>	<u>1,240,979</u>	<u>(1,967,406)</u>	<u>2,276,116</u>	<u>12,825,292</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Unrestricted funds						
Designated funds						
Future office & admin cost	6,090,444	-	-	(69,894)	-	6,020,550
Grants	16,854	411,454	(363,426)	-	-	64,882
Garden area	213,490	-	-	(56,303)	-	157,187
	<u>6,320,788</u>	<u>411,454</u>	<u>(363,426)</u>	<u>(126,197)</u>	<u>-</u>	<u>6,242,619</u>
General funds						
General Funds	<u>5,779,645</u>	<u>1,360,397</u>	<u>(1,140,954)</u>	<u>126,197</u>	<u>(1,092,301)</u>	<u>5,032,984</u>
Total Unrestricted funds	<u>12,100,433</u>	<u>1,771,851</u>	<u>(1,504,380)</u>	<u>-</u>	<u>(1,092,301)</u>	<u>11,275,603</u>

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Designated funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	3,492,443	3,492,443
Fixed asset investments	5,975,654	12,581,251	18,556,905
Social investments	-	95,619	95,619
Current assets	100,698	2,137,809	2,238,507
Creditors due within one year	-	(464,497)	(464,497)
Creditors due in more than one year	-	(11,093,685)	(11,093,685)
Total	6,076,352	6,748,940	12,825,292

Analysis of net assets between funds - prior year

	Designated funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	22,575	2,898,505	2,921,080
Fixed asset investments	6,020,550	9,839,727	15,860,277
Social investments	-	108,338	108,338
Current assets	199,494	2,182,963	2,382,457
Creditors due within one year	-	(264,559)	(264,559)
Creditors due in more than one year	-	(9,731,990)	(9,731,990)
Total	6,242,619	5,032,984	11,275,603

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	(587,616)	391,234
Adjustments for:		
Depreciation charges	107,575	102,463
Realised gains on investments	(138,811)	(123,763)
Dividends, interests and rents from investments	(504,581)	(452,363)
Charges	72,407	69,240
(Increase)/decrease in debtors	(32,573)	1,161,695
Increase/(decrease) in creditors	169,938	(374)
Increase in deferred income	1,391,695	545,998
Net cash provided by operating activities	478,034	1,694,130

24. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	525,085	666,021
Notice deposits (less than 3 months)	1,436,864	1,472,451
Total cash and cash equivalents	1,961,949	2,138,472

25. Analysis of movement in cash

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	666,021	(140,936)	525,085
Liquid investments	1,472,451	(35,587)	1,436,864
	2,138,472	(176,523)	1,961,949

JEWISH JOINT BURIAL SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

26. Capital commitments

	2019	2018
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	919,983	-
	919,983	-

Woodland Gathering Hall

On the 4th July 2019, the charity entered into a contract with Borrás Construction Limited for construction of a Woodland Gathering Hall and office. At year end the amount capitalised was £730,701 and the total estimated cost of the project will be £1,650,000. The capital expenditure qualifies as freehold property, and therefore when complete, an annual 2% depreciation charge will be applied. This is in line with the charity's existing depreciation policy for buildings. The project is expected to be completed in late 2020.

27. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,820 (2018 - £19,563). Contributions totalling £5,903 (2018 - £3,326) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 31 December 2019 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019
	£
Not later than 1 year	2,493
Later than 1 year and not later than 5 years	9,350
	11,843

29. Post balance sheet events

As at 6 May 2020 the company's investment portfolio valuation significantly fell by approximately £2.5mn (13%) as a result of the downfall in the global economy arising from the COVID-19 pandemic.