

JEWISH CARE

A charitable company limited by guarantee

Trustees' Report and Accounts

For the year ended 31 March 2020

JEWISH CARE

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JEWISH CARE

1. CHARITY INFORMATION

Bankers

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Level 28, 1 Churchill Place
London E14 5HP

Investment Advisors

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London WC2B 6AN

Veritas Investment Management LLP
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London SE1 9HA

Auditors

External

RSM UK Audit LLP
25 Farringdon Street
London EC4 4AB

Auditors

Internal

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

Solicitors

BDB Pitmans LLP
One Bartholomew Close
London EC1A 7BL

JEWISH CARE

1. CHARITY INFORMATION (cont'd)

Solicitors

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Pension Advisors

Barnett Waddingham LLP
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Principal Office & Registered Address

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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 2020.

CHIEF EXECUTIVE'S OVERVIEW FOR 2019/20

The year started off like any other 'normal' year, with many successes to celebrate in 2019-20. However, by the end of the financial year, the 31 March 2020, the world was facing a global pandemic, the effects of which continue to be felt across Jewish Care.

The organisation had to adapt to enormous change at remarkable speed because of Covid-19 and make large outlays on Personal Protective Equipment (PPE) and other measures to protect our staff, clients, and residents with the organisation's executive leadership team continually assessing the impact of the pandemic. The pandemic has also had a negative impact on the levels of occupancy in our residential homes. Risk mitigation steps taken after the 2019/20 year-end have been explained in the risk policy set out on pages 37 to 39 in light of the severity of the pandemic impact on our financial resources.

In the months prior to the pandemic turning our world upside down, it has been another very positive year for Jewish Care, albeit in a period of continued challenge and for Jewish Care, some significant change. The Trustees spent considerable time recruiting a successor to Chairman, Steven Lewis and we were delighted that Jonathan Zenios re-joined the Board as a Trustee in March 2020 and became Chairman in September 2020. At the same time, our former Chairman, Steven Lewis became President, and The Lord Levy took on the newly created role as Life President of Jewish Care.

In the world of social care, change is constant and brings opportunity too. Opportunity comes in outlining the steps leaders can take to facilitate change in service delivery with service user and workforce participation. We continue to see increased regulation across every area of our work which itself creates more challenge. I am pleased to report that all our care homes remain rated as 'Good' by the Care Quality Commission (CQC). 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. Covid-19 is only going to accelerate the need for long term solutions.

Whilst the 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 of £8.3m), 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 has remained strong.

We are also well on the way to fully funding our £47m development Sandringham in Stanmore. Sandringham opened its doors in May 2019 with the Anita Dorfman Home and Wolfson Assisted Living Apartments being the first phase to welcome residents. As we continue to invest in new facilities, it is inevitable that some of our older homes will reach the end of their lifespan. This year we closed Rubens House, which had served the community well for over 50 years. In addition, in January 2020 we ceased to provide Home Care in the North West London and Hertfordshire areas, recognising that we could no longer compete in an over saturated market.

JEWISH CARE

2. TRUSTEES' ANNUAL REPORT

CHIEF EXECUTIVE'S OVERVIEW FOR 2019/20 (cont'd)

Overall, the organisation remains in a strong position, with compliments up at 914 (2018/19: 438) and complaints down at 96 (2018/19:118) and the number of people using our services increasing. The number of concerns expressed about various service issues fell and we review in detail all such occurrences and take remedial action, where necessary. 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 vulnerable 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, President and Life 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 1,275 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 of 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 five 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, 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. In these unprecedented times, our telephone lines are available to support adults and carers who are considered extremely vulnerable to Covid-19 with an online and local resource library available for information and advice from other organisations.

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. We are open to safe admissions following strict Public Health England guidelines and measures across our care homes.

Retirement Living– we anticipate opening our third retirement living scheme, Pears Court, in April 2021 as part of our strategy to continue 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. Tenants also have access to care services depending on the care needs of individuals and are adjusted as care needs change.

JEWISH CARE

2. TRUSTEES' ANNUAL REPORT

We provide the following services (cont'd):

Although our non-residential buildings including community centres are closed in light of the impact of Covid-19, we are open and providing a number of key services to meet the needs of our community providing over 1,000 meals on wheels a week, a programme of virtual talks, digital entertainment, online activities and telephone befriending services.

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.

Day centres – we offer a wide programme of activities for older people, enabling them to remain active and connected to their community. We also offer centres for people living with dementia offering activities that can enhance the overall wellbeing of the person living with dementia.

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.

Other Services

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 addiction, 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, PURPOSE, VALUES AND STRATEGY

Jewish Care's vision is of Jewish communities where everyone can participate. Communities that are characterised by kindness, compassion and giving, where people are fully included, where they are not lonely or isolated and where they can get excellent care, which celebrates their Jewishness and supports them to express themselves and their culture. Our purpose is to deliver excellent care and community support services to the community that are Jewish at heart, either directly or with other providers of services. As part of this commitment to the community we developed a new vision for the future of care. This is outlined in the strategic plan for 2020-2025 and is available to view at www.jewishcare.org/strategy. The basis of our strategy is to strive to be the provider of choice for older people in the Jewish community and to support family members with their Jewish Care journey. Our vision, purpose, values and strategy 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.

Our values are central to the way we work. They are what make us distinctive and drive how we act as individuals and as an organisation. They shape our culture. They are:

Excellence, Innovation, Compassion, Inclusiveness and Integrity.

Our strategy sets out an ambitious plan in a world of increasing change, complexity, challenges and choice. We will need to be agile and responsive and also ensure the organisation's sustainability for generations to come. Our strategic vision faces the following challenges: the changing need for care, the changing nature of Jewishness, the widening care funding gap, the growth of regulation and the changing economic landscape. We will have to make tough choices internally and constantly challenge ourselves in order to ensure that the care we provide, the people who provide it and the systems that support it are the most efficient and the most effective every day, in every interaction. The future of Jewish Care will be characterised by outstanding engagement, excellent experience, clarity of purpose, agility, efficiency and the strength of our values.

Our strategy sets out the 7 priorities we want to achieve across the organisation from 2020-25, how we are approaching them and some of the ways with which we will measure success. The 7 priorities are as follows and are underpinned by partnerships, everything we do requires the coming together of our workforce, our army of volunteers, our donors and the community at large.

Jewish Care will be distinctively Jewish – our aim is that the Jewishness of the experience we offer is clear, distinct and meets the needs and expectations of the community we serve. We want people to experience the Jewish values of kindness, giving and welcoming in every interaction with us.

Jewish Care will be recognised for quality and innovation – our aim is to be the social care provider of choice for older people in the Jewish community, universally recognised for the quality of our services. Jewish Care should always deliver quality, best practice and achieve full compliance with all legal and regulatory requirements.

Jewish Care will be integrated in our community - our aim is that the Jewish community and Jewish Care will remain central to each other. Jewish Care will develop with members of the community we serve as we navigate a changing world of care. We will engage effectively with supporters, volunteers, leaders, partners and clients to respond to their needs and provide them with first-class care and services.

JEWISH CARE

2b. OUR VISION, PURPOSE, VALUES AND STRATEGY (cont'd)

Our strategy cont'd

Jewish Care will be the customer's choice – our aim is to develop staff and volunteers, our insights, our systems and our tools so that we can become the social care provider of choice to the Jewish community. We should be known for the speed and excellence of our service.

Jewish Care will be an employer of choice – our aim is to be the employer of choice for talented people who share our values and have the skills we need to deliver our ambitions.

Jewish Care will be the champion of volunteering – our aim is to enable people to enjoy a first class experience as volunteers, making the most of these skills and the impact they make on the communities we serve.

Jewish Care will be a continued leader for the community for generations to come – our aim is to ensure that the governance, leadership, financial, health, resources and reputation of the organisation continue to be robust, well managed and allow us to serve the community for generations.

The success measures that we plan to use in order to deliver our strategy are as follows:

- Use our resources in the most effective and efficient way possible, avoiding waste and ensuring we obtain good value from them to benefit the community into the future.
- Create 'hub' campuses that deliver high quality environments for the long term and strengthen social care in the Jewish community. These will allow us to sustainably and efficiently deliver high quality services and to harness the local community' s engagement and support.
- Increase our partnerships so that the community benefits from efficient and integrated networks of support.
- Provide clear, transparent and sustainable fee structures for our residential homes.
- Align our retirement living services as effective income producing services.
- Further develop our community based services to ensure continued engagement with an increasing number of members of the community through various channels both digital and face to face, when Covid 19 allows.
- Continue to explore different ways to increase our fundraising in line with the rising costs of providing care whilst increasing the community's awareness of the importance of legacies to our service provision.
- Manage our investment portfolio effectively to maximise returns and support service delivery.
- Maximise the benefits of our lay leadership programmes.
- Continue to hold ourselves to the highest standards of governance and implement a full governance review to ensure our governance will remain sustainable for our future.
- Account to our Board of Trustees for our progress in achieving our aims, which will be measured against internal corporate delivery plans and performance indicators.

In light of the Covid 19 pandemic, we have accelerated some of our strategic plans and face many additional challenges ahead, rebuilding parts of the organisation, stabilising occupancy, planning for additional waves of the virus and re-setting the organisation in light of the severity of the impact of the pandemic has had on our financial resources. We continue to be prepared and will make sure now more than ever that our organisation continues to be the Jewish Care the community needs and deserves in light of our strategy and the continued challenges.

JEWISH CARE

2b. OUR VISION, MISSION AND STRATEGY (cont'd)

Section 172 Statement

The Trustees have considered the requirement to promote the success of the Charity for the benefit of all stakeholders and to achieve its charitable purposes, in doing so the Trustees have had regard to the following requirements of S172 of the Companies Act 2006.

The likely consequences of any decision in the long term

The Board of Trustees meet every 6 to 8 weeks alongside the Executive Leadership Team to discuss strategic initiatives, priorities and to agree any changes in the way the organisation operates with a focus on the future of the organisation. The development of initiatives and plans by the Executive Leadership Team are also supported with focused expertise and oversight from one of our many sub- Committees. Our 2020-25 strategy also sets out the organisation's long term focus in a changing and challenging landscape, a strategy that is underpinned by its stakeholder partnerships

The interests of the company's employees

Our people, both staff and volunteers, are our greatest asset. One of the 7 priorities of our 2020-25 strategy is to be the employer of choice for talented people who share our values and have the skills we need to deliver our ambitions. We recognise our staff by celebrating success, as well as supporting them in a multitude of ways including creating wide-ranging and robust learning and development programmes, providing flexible working, managing a staff forum whereby concerns can be raised, discussed and resolutions proposed, the introduction of Workplace (a business focussed Facebook-type application) to improve staff communication and commitments being made by the Board to continue to work towards the London Living Wage. Staff are supported by Sub-Committees of the Board, namely the Remunerations Committee.

The need to foster the company's business relationships with suppliers, customers and others

Our organisation is defined by partnerships. Everything we do requires the coming together of our workforce, our army of volunteers, our donors, our suppliers, our clients, our purchasers of services that include local authorities, clinical commissioning groups and our regulators. Our 2020-25 strategy underpins the value and contribution from all of these stakeholders. We encourage feedback from all stakeholders, especially client feedback as this is a critical part of the mechanism that allows the development and improvement of our front-line services. Oversight of our front line services is provided by four newly formed Sub Committees of the Board namely the Residential Care Services Committee, the Clinical Governance Committee, the Independent Living Committee and the Community Centres and Volunteering Committee.

The impact of the company's operations on the community and the environment

We are committed to shaping the future of care and sustain our ability to meet changing expectations and needs of our community, whether that be determined by location or age. Over the years, we have regularly responded to the community's changing needs and in doing so have embarked on major donor funded capital projects to develop four campuses of care. These campuses will allow the community to benefit from high quality care, community support, independent living apartments and a range of social events all at one, easily accessible location, along with opportunities to volunteer to strengthen community ties. On the ground, we have also modernised our care delivery with the introduction of hand-held, electronic care plans and modernised our day community services programmes, taking advantage of the many digital innovations that have been made. Please refer to our carbon reporting on pages 15 and 16 to understand our contribution and response to the environmental challenges.

JEWISH CARE

2b. OUR VISION, MISSION AND STRATEGY (cont'd)

Section 172 Statement (cont'd)

The desirability of the company maintaining a reputation for high standards of business conduct

Our organisation is strongly committed to maintaining a reputation of high standards in all of our charitable deliverables and business conduct. Organisational and departmental risk registers are kept and overseen by the Internal Audit, Assurance and Risk, a sub-Committee of the Board. Our internal audit function also performs a critical role in determining cross cutting audits based on risks with high net risk scores as well as areas of the business that heavily rely on robust control environments that dramatically reduce our risk exposure. As a CQC regulated Charity, we also respond to regulatory findings obtained during inspections to understand how service improvements can be made. All regulatory finding reports are reported to the Board of Trustees. Aligned to reputational management is our process for reporting serious incidents (SIR) to the Charity Commission. Jewish Cares SIR procedure was put in place in July 2018 and amended in February 2020. The SIR process is a robust one and has resulted in a number of reports being made, on each occasion the Charity Commission has been entirely confident in the way that each incident has been dealt with. The SIR process requires any potential incident to be reported to a committee of various members of the Board, whereupon the committee will convene to discuss each incident, the Board is informed whether the potential incident is reported to the Charity Commission or not.

The need to act fairly as between members of the company

All Trustees and Directors of subsidiary entities act in the best interests of the charitable organisation in meeting its charitable objectives. Declaration of any conflicts of interest are a standing agenda item at each Board and Sub Committee meeting.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Our Constitution

Jewish Care is a registered Charity (reg no. 802559) and a Charitable Company limited by guarantee and not having a share capital (reg no. 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 as amended in June 2017.

Subsidiaries & Linked Charities

At the year end, Jewish Care operated 4 subsidiaries and 20 linked Charities (all subsidiaries and linked Charities are consolidated into the group accounts). Of the three larger subsidiaries and linked Charities, Community Trading Limited is a trading subsidiary wholly owned by Jewish Care, the Joel Emanuel 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 2020). 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 (by virtue of the absence of financial transactions) of Jewish Care but it is active in its role as Trustee to the pension schemes operated by Jewish Care. The other 20 are trusts and linked Charities (see note 14) 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 CTL is the provision of services to and in connection with Jewish Care. The majority of activities during 2019/20 were fundraising dinners in aid of Jewish Care and development of the Sandringham site at Stanmore. CTL makes a qualifying payment, as a donation, to Jewish Care under a formal deed of covenant.

Joel Emanuel Trust (JET)

Joel Emanuel Trust (JET) is a linked Charity and registered social landlord whose objects are the provision of housing for poor persons of the Jewish faith. JET 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 JET are managed and controlled by the corporate 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 retirement living schemes with our latest scheme Pears Court at Sandringham, Stanmore currently under development and due to open in 2021.

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 group financial statements for the year ended 31 March 2020 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 2020 (2018/19: £765,257) which is included in JAMI's own financial statements.

Funds held as custodian Trustee on behalf of others

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

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Trustees

The current Directors of Jewish Care are the Board of Trustees (who are listed on page 18 of this document). The Board of Trustees comprises of 13 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. A Trustee shall hold office for the lesser of 3 years or until retirement or ceasing to be a Trustee, on expiry of a first term, a Trustee will be eligible for re-election. Any term over 6 years (the maximum term is 9 years) must be approved by at least two thirds of the Trustees. The Board of Trustees meets every 6 to 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.

At the 31 March 2020 and prior to the governance review described on page 17, the Board of Trustees was supported by 3 sub-Committees and 6 expert groups.

Sub-Committees

- Nomination and Remuneration Committee
- Audit & Risk Committee
- Clinical Governance Committee

All three sub-Committees of the Board of Trustees report directly to the Board of Trustees 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 Chair 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 Treasurer, Trustees and non-Trustees who have relevant current expertise in the areas of finance, audit and/or risk management, the Charity's Chief Executive and Chief Operating Officer also attend and represent the Executive Leadership Team.

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 of Trustees and non-Trustees who have relevant current expertise in the areas of clinical governance, the Charity's Chief Executive, Director of Care Services, Director of Community Services & Volunteers also attend and represent the Executive Leadership Team.

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. Non-Trustee members of expert groups are also selected based on skills and abilities relevant to a group's expertise requirement.

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

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 investment management 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 **Executive Leadership Team** has delegated authority from the Board of Trustees for the day to day operations of the Charity and Group (see membership on page 18).

The **Independent Living Committee** oversees all housing related activity, including social housing strategy, independent living strategy, strategy execution, operational performance including financial performance and budgets, health and safety, best practice adherence and complaints.

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 local authority continues 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 and community 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.

Energy and Carbon Reporting

Jewish Care is committed to the Energy Savings Opportunities Scheme (ESOS) that applies to large undertakings as defined by the Companies Act 2006.

Total Energy Consumption (TEC)

Total energy consumption per fuel type for the reporting period is set out as follows:

| Fuel | TEC Contribution (kWh) | TEC Contribution % | Emissions tCO ₂ e/Year | % Emissions tCO ₂ e/Year |
|---------------------------|------------------------|--------------------|-----------------------------------|-------------------------------------|
| Grid supplied electricity | 6,120,986 | 34.24% | 1,732.66 | 44.31% |
| Natural Gas | 11,519,328 | 64.44% | 2,119.09 | 54.20% |
| Diesel | 148,523 | 0.83% | 36.79 | 0.94% |
| Unknown* | 87,192 | 0.49% | 20.99 | 0.55% |
| Total | 17,876,029 | 100% | 3,909.53 | 100% |

*Unknown fuel includes petrol and diesel where the fuel type of transport activities cannot be determined.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Energy and Carbon Reporting (cont'd)

Methodology

The energy consumption reports the energy and carbon consumption of the group to include all subsidiaries. Data used in calculating Total Energy Consumption (TEC) includes summary data, supplier invoices, automatic meter readings in downloadable format e.g. half-hourly electricity data and transport mileage data provided by Jewish Care and Expense Reduction Analysts. All fuel conversions to kWh and CO₂ emissions data have been calculated in line with the 2013 UK Government environmental reporting guidance using UK Government GHG conversion factors for company reporting.

Intensity Measurement Ratio

The intensity measurement ratio is a measure of environmental impact; the quantity of energy per unit of output, we have chosen the entire estate square meterage.

| Estate M² | Energy Consumption (kWh) | Intensity Ratio (kWh)/m² | Emissions tCO₂e | Intensity Ratio (tCO₂e)/m² |
|-----------------------------|---------------------------------|--|-----------------------------------|---|
| 65,012 | 17,876,029 | 274.97 | 3,909.53 | 0.06 |

Measures taken to improve efficiency

As part of the ESOS review, a report of findings indicated 16 high level recommendations of potential energy savings amounting to 2,280,285 kWh per year. This suggests significant opportunities to improve management, energy efficiency, reduce energy waste and contribute to an improved working environment. These include the implementation of combined heat & power (CHP) systems, the installation of burner management controls to boilers and LED lighting upgrades to name but a few. We endeavour to continue to analyse the feasibility and implementation of these suggestions to mark our commitment to care for our environment. It is also part of our 2020-25 strategy to consolidate our care and community delivery into four main hubs, this will also underpin our commitment to improving our energy efficiency and carbon footprint.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Governance Review

A wide ranging governance review was completed in 2019/20. It encompassed a review of our Memorandum and Articles of Association, board structure, make up and committee structures in tandem with the development of the new vision for the future of care (2020-2025). The review also considered the Charity Governance code with any actions/recommendations adopted. The governance changes are being brought in post year- end, an extract of some of the main changes are as follows:

Committees/Expert Groups

- The Audit and Risk Committee has been split into two committees, the Internal Audit, Assurance and Risk Committee and the Finance, Audit and Investment Committee respectively, both are now Sub - Committees of the Board.
- Community Services has been split into Residential Care Services, Community Centres and Volunteering and the Independent Living Committee, all are now Committees of the board.
- The Nomination and Remuneration Committee has also been split into its constituent parts.
- All committees have refreshed terms of reference.
- A number of expert groups have been disbanded and their work absorbed by new committees ie. Investment Expert Group and Volunteering Advisory.
- Board Membership has been reduced in size with the current membership reflecting these changes.

Oversight of our front line services is provided by four newly formed Sub Committees of the Board namely the Residential Care Services Committee, the Clinical Governance Committee, the Independent Living Committee and the Community Centres and Volunteering Committee.

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Key Management Personnel: Trustee Board (Current Trustees and Directors)

Trustees (who are also company Directors of the Charity)

Jonathan Zenios (Chair) (appointed Trustee, 1 March 2020) (appointed Chair September 2020)
Steven Lewis (Chair) (resigned as Trustee 14 September 2020) (appointed President September 2020)
Rachel Anticoni (appointed 21 September 2015)
Julia Bekhor (appointed 5 November 2018)
Linda Bogod (appointed 7 November 2011)
Michael Brodtman (appointed 29 April 2013)
Adam Dawson (appointed 5 November 2018)
Graham Edwards (Treasurer) (appointed 5 November 2018)
Simon Friend (appointed 26 September 2016)
Harold Gittlemon (appointed 5 November 2018)
Gayle Klein (appointed 26 September 2016)
Douglas Krikler (resigned 23 September 2019)
Leah Hurst (appointed 14 September 2020)
Lord Ian Livingston (resigned 29 July 2020)
Nicola Loftus (resigned 23 September 2019)
Dr Dean Noimark (resigned 29 July 2020)
Stuart Roden (resigned 14 September 2020)
Arnold Wagner OBE (Vice Chair) (appointed 11 March 2010)
Matthew Weiner (appointed 14 December 2016)

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 (2018/19 £7,840).

Key Management Personnel: Executive Leadership Team

| | |
|----------------------|---|
| Daniel Carmel-Brown | Chief Executive Officer |
| Andrew Hope | Chief Operating Officer (Finance, IT & Property) |
| Adam Overlander-Kaye | Director of Fundraising & Community Engagement |
| Ellisa Estrin | Director of Marketing, Communications & Customer Engagement |
| Angela Beerman | Director of Human Resources & Organisational Development |
| Gaby Wills | Director of Care Services |
| Angela Murphy | Director of Community Services (resigned July 2020) |
| Richard Shone | Interim Deputy Director of Community Services and Volunteers (appointed September 2020) |
| Jonathan West | General Counsel & Company Secretary |

JEWISH CARE

2c. STRUCTURE, GOVERNANCE AND MANAGEMENT

Committees of the Board cont'd:

Trustee Membership of Committees of the Board and Expert Groups and who served as such throughout the 2019/20 financial year and prior to the Governance review (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.

JEWISH CARE

3. STRATEGIC REPORT – AIMS, ACHIEVEMENTS AND PERFORMANCE - CARE AND COMMUNITY DEVELOPMENT

| What we said we would achieve in 2019/20 | What we achieved |
|---|---|
| <p>We will be aiming for maximum occupancy in our new schemes, our retirement living scheme, Wohl Court in Hendon which opened in February 2019 and the new Anita Dorfman House care home and Wolfson assisted living scheme, opened in May 2019.</p> | <p>Both schemes, Wohl Court and Anita Dorfman House, had a good uptake rate, although lower than expected. At Wohl Court, the flats situated in the front of the building, and at Anita Dorfman, the Wolfson Assisted Living studios will be re-marketed in order to achieve the optimum occupancy.</p> |
| <p>We will continue to have aspirations 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.</p> | <p>The process of creating a new campus in Redbridge had begun, and preliminary plans and applications were put together. However, the emerging demographic changes in recent months has led to a review of the scheme taking place in 2020/21.</p> |
| <p>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 newly introduced services such as the new Wolfson assisted living scheme at Anita Dorfman and the residential facility at Lady Sarah Cohen House. We will also monitor the demand for lower fee placements at Clore Manor.</p> | <p>Occupancy levels up until the breakout of the pandemic had improved, and occupancy of over 90% across the homes was achieved. This reduced sharply at the end of March due to the Covid-19 pandemic and we are now assessing the supply of care beds across the estate and adjusting this accordingly.</p> |
| <p>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.</p> | <p>All regulated resources continue to be rated as good. Our aspirations for excellence have not diminished and it is hoped that these will be recognized by CQC and other regulatory agencies.</p> <p>Customer experience has indeed improved, which is evidenced by the number of compliments received 914 (2018/19: 438). This has been particularly evident in relation to the admissions process, which has been enhanced by the Assessors role and the review of the overall process resulting in more timely admissions.</p> <p>The introduction of a new role, the Clinical Lead and Compliance Manager, had led to improvements in all practice areas.</p> |

JEWISH CARE

3. STRATEGIC REPORT – AIMS, ACHIEVEMENTS AND PERFORMANCE - CARE AND COMMUNITY DEVELOPMENT (cont'd)

| What we said we would achieve in 2019/20 | What we achieved |
|---|---|
| <p>We will focus our efforts on the more effective deployment of staff in our care homes and home care service in order to maximise the impact on service delivery. This will be achieved by being responsive and agile in recruitment aiming at reducing the turnover of new staff (within the first year of appointment).</p> <p>We will focus on developing our succession framework by identifying and supporting the development of our future managers and leaders.</p> <p>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.</p> | <p>These continue to be top priorities although improvements made by end of March 2020 have been eroded by the impact of the pandemic. Improvements will be continued in 2020/21 to achieve efficiencies.</p> |
| <p>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.</p> <p>In the care homes, we will explore engaging with external agencies, who will help us to harness the data collected via the electronic care plans to guide practice and wellbeing improvements.</p> <p>We will also seek to improve management's use of the electronic care plans and roll out an electronic medication administration system. As part of Community Services, we will continue to explore the opportunities of assistive technology in aspects of service delivery with a focus on the new retirement living developments both at Wohl Court in Hendon, and Pears Court at Sandringham.</p> | <p>The digital agenda continues to be a priority.</p> <p>The pilot of the medication management system did not prove to be successful and has been put on hold.</p> <p>In mid-March, when the pandemic led to lockdown, our digital capability proved to be the backbone of our ability to continue all operations with little disruption. The main benefits in care homes and retirement living, were the ability to offer video calls between residents / tenants and their families, which proved to be a real lifeline for them. An investment in resilient IT infrastructure over the previous five years has supported and enhanced our digital capability.</p> |

JEWISH CARE

3. STRATEGIC REPORT - AIMS, ACHIEVEMENTS AND PERFORMANCE - CARE AND COMMUNITY DEVELOPMENT (cont'd)

Future Aims 2020/21:

The outbreak of the pandemic in March 2020 has changed our lives and the landscape in which we operate and therefore our priorities. These are reflected below:

Financial / occupancy

- Following a reduction in occupancy caused by the pandemic, our aim is to improve the financial status of the homes and retirement living. In the care homes, occupancy is improved via the closure of Clore Manor in September 2020 and the safe transfer of the residents to our newer homes and an active drive to increase admissions and create positive balance and growth. Income will be improved with a more sophisticated approach to public and private funding.
- Cost savings will be achieved through the reduction of overall staff numbers (redundancies) and better deployment and management of resources (for e.g. a reduction in more expensive agency usage).
- In retirement living, we will fill voids in the existing schemes and ensure that the new scheme (Pears Court at Sandringham) will fulfil the expectations of a desirable and sought-after place to live.

Safety and compliance

- Following the first wave of the pandemic and the reality that Covid-19 will be a factor of our lives for some time, our aim is to ensure that our standards of compliance in all areas affecting health, safety and wellbeing of our residents, staff and volunteers are at the highest level.
- Internal and external audits, specialist training in infection control and adherence to clear guidelines, will be at the forefront of our activities. Our resources (care homes and retirement living) will respond to changes with agility and flexibility to minimize any adverse impact from future resurgences of the pandemic.

Digital

- Our aim is to adopt systems that will support remote health as well as enable those in isolation to actively participate in positive and meaningful activities and to engage with others.
- We now know how essential digital technology is in enhancing the wellbeing, health and experience of residents and their families and our aim is to continue to extend our capabilities.

New Developments

- We will review the possibilities of the Redbridge development, focusing mainly on a new care home provision. The feasibility of retirement living will be carefully considered, and plans will be developed accordingly. Our aim is to ensure that this retirement and care community achieves its potential to enhance the lives of those who live there and the surrounding community.
- We will make every effort to fill the retirement living scheme, Pears Court at Sandringham after the completion of phase 2 of the Sandringham development at Stanmore and consider how we can best use The Ronson Community Centre facilities at Sandringham in light of the pandemic.

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE - STAFF

| What we said we would achieve in 2019/20 | What we achieved |
|--|---|
| Review reward and recognition. | A commitment from our Board to continue to work towards paying the London Living Wage whilst ensuring our financial sustainability. In a step to achieve this, our minimum pay rates moved by 6.2% and our lower paid staff received a 4% increase. |
| Launch a revised Staff Awards event to celebrate many staff successes across Jewish Care. | We received an overwhelming 335 nominations for awards and a very successful celebration dinner was held to recognise the many achievements of our staff. |
| Introduce Workplace (Facebook for employers) to improve our ability to be able to directly communicate with staff. | This is now a key communication tool for us and very much embedded in our ways of working. There are currently 580 employees actively using it. |
| Working in partnership with Reed to reduce our agency burden. | The partnership is well established and inroads to manage agency usage have been made by consolidating many agencies into one. |
| Reduce our vacancies and improve our staff retention. | Pre-pandemic, we had reduced our vacancies by half, and we are now not recruiting. Staff retention has improved with a reduction in annual turnover from 21% in April 2019 to 17.4% in April 2020 |
| Support our staff to develop their skills. | There have been 4,269 pieces of training delivered to staff through 80 training courses (both face to face and on-screen). |
| Through our people, provide great customer service. | Since the beginning of the pandemic we have regularly received glowing reports about the outstanding service and levels of care provide by our amazing staff. |

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE - STAFF (cont'd)

Additional Achievements

- Our staff have shown an extraordinary level of commitment and flexibility to ensure that our services have continued to run effectively. Levels of motivation and engagement have remained high and we have ensured that staff have felt well supported.
- We have always provided PPE, and at the peak of the pandemic we offered enhanced overtime and sick pay, and we introduced a programme of wellbeing initiatives.
- We also said a special thank you to our frontline staff in the form of a recognition payment.

Future Aims 2020/21:

- Refine staffing models and structure to reflect the significant changes required following the Covid-19 pandemic.
- Continue to drive our digital agenda for staff during employment.
- Provide colleagues with the opportunity to develop their knowledge and skills to maximise and manage performance through remote learning (ACAS).

JEWISH CARE

3. STRATEGIC REPORT - 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 generated 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. We also ensure that we take careful steps to protect vulnerable and other members of the community from behaviours that may be deemed unreasonable. In line with the Institute of Fundraising's guidance on Treating Donors Fairly, we have a clear policy for treating people in vulnerable circumstances policy. The Campaign Oversight Group convenes on a frequent basis and is made up of Committee Chairs and professionals, reports are prepared by the fundraising department for each meeting, so that fundraising practices and policies are scrutinised and ensuring that anyone representing the Charity, whether professional or lay leader, adheres to Jewish Care's established fundraising practices.

We received a total of 6 fundraising complaints (2018/19: 4) all of which were resolved and related to administrative discrepancies. We make sure that any complaints are acknowledged in a timely manner, that they are investigated thoroughly, resolved and that any outcomes and actions are taken. We acknowledge complaints upon receipt and commit to responding within 7 working days. Where this is not possible, we will correspond with the person making the complaint to agree a new deadline.

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE – FUNDRAISING & COMMUNITY ENGAGEMENT (cont'd)

| What we said we would achieve in 2019/20 | What we achieved |
|---|---|
| To maintain revenue fundraising income at £15.4 million. | Our revenue fundraising income including legacy income was just over £16 million. |
| To maintain legacy income at £4 million. To create a new legacy fundraising strategy including new messaging and approach to be completed by March 2020. | Legacy income received was £4.6 million. This was achieved however, due to Covid 19, the launch of the new campaign was delayed until August 2020. |
| To secure £9 million in donations from major gifts income. | We exceeded our target with income of just over £9 million. Whilst this was a significant achievement, the major gifts team continues to work in a challenging financial environment. |
| To create a comprehensive plan to implement the Fundraising strategy following presentation and approval by the Trustee Board. | We have successfully implemented a number of the recommendations including upskilling the major gifts team, creating an <i>in-memory</i> product, and introducing two new databases. |
| To secure £1.85 million from events and general donations. | £1.9 million was secured from events and general donations. |
| To continue to implement data procedures and processes to ensure secure use of personal information. | We have continued to be compliant with all aspects of holding personal information. |

Future aims 2020/21:

- To maintain revenue fundraising income at £15.4m.
- To maintain legacy income at £4 million.
- To achieve a capital gifts target of £3.9 million.
- To roll out our new legacy fundraising strategy including new messaging and a focus on legator stewardship.
- To secure £9 million in donations from major gifts income.
- To increase the number of volunteer fundraisers who actively fundraise for the organisation, working alongside the professional team.
- Develop clear terms of reference for our Patrons Committee and Campaign Oversight Group.
- Develop new fundraising products including In Memory and Celebratory Giving.
- To continue to implement data procedures and processes to ensure secure use of personal information.

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE – VOLUNTEERS, COMMUNITY SERVICES AND COMMUNITY ENGAGEMENT

| What we said we would achieve in 2019/20 | What we achieved |
|---|--|
| To ensure that every volunteer is registered on the customer relationship management system (CRM) and appropriately checked. | A project was started in November 2019 to speak to each resource to obtain an up-to-date list of active volunteers; each active volunteer was then asked to complete a new Volunteering Agreement. This is 85% complete but has now been delayed due to the pandemic. |
| To provide a relevant and comprehensive Learning and Development package for all volunteers with appropriate training suited to their role (this may be face to face training or online). | The induction programme offered to all new volunteers was also delivered to existing volunteers to ensure that long serving volunteers are up to date and in line with the organisation's strategy. New training has been introduced with GDPR, safeguarding and befriending modules. |
| To have a robust recruitment process that is accessible to potential volunteers and meets all the requirements for compliance. | A project was started in May 2019 to review and update the platform that is used for CRM, called Better Impact. All volunteer role outlines have been rewritten into a new format. All new volunteers will now apply through an online portal which is accessible to both the Resource Manager and the Volunteers Dept. The project has been delayed by the Covid-19 pandemic. |
| To ensure that every volunteer is recognised for their contribution and thanked for the time they have given. | Volunteers each receive a birthday card from Jewish Care and currently receive a weekly wellbeing email from the Volunteers Dept. There have been individual coffee mornings at Anita Dorfman House, the Holocaust Survivors' Centre and the Redbridge Jewish Community Centre. This started in December 2019 but was paused as the centres are now closed and the homes are not open to volunteers. A Zoom meeting was set up for 67 volunteers to be recognised for their contribution to the Covid-19 pandemic. In September 2020, volunteers each received a honey pot and stirrer in time for Rosh Hashanah, with a thank you note. |
| Every volunteer who ceases their volunteering is offered an exit interview with a manager to review their experience. | We have not yet been able to implement this, but we will continue to look at ways in which we can do so. |
| To have reviewed and expanded the Befriending service. | The Befriending service was reviewed, and the staff team expanded to meet the growing needs of the service. |
| To begin community programming in or around the Sandringham site at Stanmore and the community in Hertfordshire. | This is an ongoing project, where we will continue to look at ways in which we can begin programming around Sandringham in a way that complies with Covid-19 regulations. |
| To have a Youth Strategy in place (recruitment of students, interns, Lay Leadership Development Group and programmes like the B'nei Mitzvah group). | The B'nei Mitzvah programme ran successfully for 2019/20 but was disrupted by the Covid-19 pandemic. We looked at a plan to develop internships at Jewish Care, but this has also now paused due to the pandemic. |

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE – VOLUNTEERS, COMMUNITY SERVICES AND COMMUNITY ENGAGEMENT (cont'd)

Future aims 2020/21:

Volunteers Department

- To provide every volunteer with an agreed role outline in line with the new 5-year strategic plan.
- To be able to provide the organisation with a financial value for volunteering, with each role benchmarked against the paid equivalent.
- To enable the organisation to thank individual volunteers for their contribution.

Community Engagement

- To ensure that all local/community fundraising committees continue raising funds for their chosen resource and that we capitalise on these groups to promote volunteering and Jewish Care's services where appropriate.
- To see the continued growth of Supportive Communities groups.
- To engage with external communal organisations to maximise the partnerships for the benefit of Jewish Care.
- To continue to develop Befriending within Jewish Care.

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE – MARKETING, COMMUNICATIONS AND CUSTOMER ENGAGEMENT

| What we said we would achieve in 2019/20 | What we achieved |
|--|---|
| <p>Launch a new organisational brand campaign to help promote awareness focusing on the following key service areas: care homes, community centres, retirement living and dementia services.</p> | <p>In February 2020, we launched a new branch campaign called 'Making Older Life Better' , which focused on promoting our following key services; care homes, community centres, retirement living and dementia services. Sadly the Covid-19 pandemic impacted many of these services in March 2020 and we had to put this campaign on hold to focus on promoting the changes in our services and the steps and measures we had adopted to protect and keep safe all clients, relatives, staff and volunteers, as there could be no greater priority than this.</p> |
| <p>Educate and engage stakeholders, social care leaders and the wider community with our new 2020 – 25 organisational strategy.</p> | <p>In December 2019, we launched our new organisational 5-year strategy by print, digital marketing and film to all stakeholders, both internal and external to Jewish Care.</p> |
| <p>Launch our new admissions process to help make admissions into our homes speedier and more customer focused in order to reduce complaints and bed voids.</p> | <p>October 2019 saw us launch our new, much leaner and streamlined, admissions process. The impact was a drastic reduction in complaints and a significant increase in compliments. More fundamentally pre Covid-19, we increased occupancy across all our homes and were admitting self-funders 2 to 3 weeks faster than the previous admissions process.</p> |
| <p>Ensure all of our care home marketing material is compliant with new CMA legislation and regulations.</p> | <p>We are proud to say that after implementing all of the latest CMA and ARCO guidelines (refer our partners link www.jewishcare.org), all of our care home and retirement living marketing material is now fully compliant both offline and online.</p> |
| <p>Change the way we deliver family contributions for those families we charge this to, so that it's less intrusive, more customer focused and faster to implement.</p> | <p>In October 2019, we introduced a simplified family contribution system with a new tariff system based on each home, a far speedier process for applying for charitable grant assistance and a leaner and faster appeal system with clear parameters for applying for assistance, all provided as upfront information for any new enquirers.</p> |

JEWISH CARE

3. STRATEGIC REPORT - AIMS ACHIEVEMENTS AND PERFORMANCE – MARKETING, COMMUNICATIONS AND CUSTOMER ENGAGEMENT (cont'd)

| What we said we would achieve in 2019/20 | What we achieved |
|---|---|
| Help improve customer engagement and reduce customer service-related complaints across our care homes with the introduction of a new stakeholders engagement manager. | We introduced a new stakeholders engagement manager role who began to help increase customer service at a local level across our homes and created relative clinics in two of our 10 homes. Unfortunately, the person left the role after six months and budget challenges have led us to temporarily put the recruitment of this role on hold for the time being. |
| Improve internal communications and staff engagement with organisational news, updates and messages by launching and overseeing Workplace by Facebook. | October 2019 saw us launch Workplace by Facebook to all our staff. Currently 580 out of 1,275 staff are signed up to it and we have seen it create a far more informed and engaged workforce, particularly with over half of those staff using the platform being frontline staff who do not have regular access to Jewish Care's intranet or activated email addresses. The plan is to migrate our entire workforce to use this by September 2021, with our team in Human Resources leading on this. |
| Promote, raise awareness and engage with the Hertfordshire community and surrounding areas with Phase 2 of Sandringham in Stanmore, which will include; the retirement living scheme, Pears Court and The Ronson Family Community Centre. | Marketing on a low level with editorial in press and synagogue magazines, and online and via social media, has begun for Phase 2 of Sandringham. However, the real work started in October 2020 when a full programme of marketing, sales material and communications will start to be implemented through to its opening (expected in March) 2021 and beyond. |
| Increase digital growth across our social media channels by 15% and engagement by 10%. | We have increased growth across our social media channels by 18%, with the biggest growth seen on our Facebook page with 2,000 additional followers. |
| Future aims 2020/21: | |
| <ul style="list-style-type: none"> • Effectively communicate and engage all our internal and external stakeholders in an open, honest and transparent way about any organisational changes and developments that happen throughout 2020/21. • Launch virtual tours across all of our care homes and vacant apartments at Wohl Court, to help ensure people can view our services in a new digital forum that both keeps them, and our service users protected and safe. • Launch a new care home advertising campaign that helps support more admissions into all of our 9 homes throughout the Covid-19 pandemic and 2020/21. • Promote and raise awareness of the Pears Court retirement living scheme and The Ronson Family Community Centre at Sandringham to support, lead and generate income for both of these new services. • Continue to promote and market the Wohl Court retirement living scheme in order to help support the service to achieve full occupancy by April 2021. • Launch a new legacy marketing campaign to help increase legacy enquiries in 2020/21. | |

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Financial Review

Analysis of the Group Charitable Activities (Operations)

Total charitable activities income for the Group before donations and other income was £34.9m (2018/19 £33.3m) with total charitable expenditure before depreciation of £53.3m (2018/19 £49.6m) resulting in a net operating loss before donations and other income of £18.4m (2018/19 net loss of £16.3m). See further analysis on page 34. The net operating loss before donations and other income highlights the importance of our voluntary income to support the provision of our day to day services and 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. The end of the financial year also saw the outbreak of the Covid-19 pandemic and its impact on our activities and plans for 2020/21. The Executive Leadership Team immediately concentrated its resources and capacity on managing the pandemic, focusing and protecting the most vulnerable client groups within our organisation. In late March 2020 we launched an emergency appeal "The Jewish Homes Emergency Appeal" alongside Nightingale Hammerson and The Fed in Manchester. 90% of the funds were allocated based on the number of registered residential care beds with 10% of the fund allocated to 11 smaller stand-alone Care Homes who are members of the National Association of Jewish Homes. Jewish Care received £2m from this appeal and this has gone some way to support the severe financial impact of the pandemic on our financial resources. We also converted our fundraising activities and day centre provision to online and virtual participation.

Income

Our income comes from a range of sources. The principal funding sources for 2019/20 are charitable activities income, donations, legacies, investment income, property disposal proceeds and capital project donations. Total income from all principal funding sources was £62m (2018/19 £61.5m) which represents a 1% increase on the prior year.

Charitable activities income was £34.9m in 2019/20 (2018/19 £33.3m). This funding source consists of local authority and private residential fees, grant income, retirement 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 prior to moving to the care home 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 received by the charity. The start of the financial year saw a busy period with the closure of Rubens House in Finchley with residents moving to our other care homes and the subsequent redeployment of staff, the opening of our new Anita Dorfman House and Wolfson assisted living units in Stanmore. The end of the year also saw the closure of the North London and Hertfordshire Homecare service with all clients migrated to a new provider. Occupancy in the Care Homes was on a steady increasing trajectory and exceeding budgeted targets in some of the Homes prior to the onset of Covid-19 and mandated lockdowns.

Donations were £12.6m (2018/19 £12.2m) representing a 3% increase on the prior year. Demographic pressures on this income stream remain a challenge.

Legacy income was £4.6m (2018/19 £5.3m) down 13% on the prior year but still exceeding budgeted levels of this income line. The volatile nature of this income stream is supported by a legacy fundraising strategy to generate an internal awareness of the importance and impact of gifts in wills to Jewish Care's work.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Financial Review (cont'd)

Capital project donations were £8.3m (2018/19 £8m). This funding source consists of capital donations applied directly to our capital construction projects. The capital project funding received during the year was towards the construction of the Sandringham site at Stanmore. Expenditure on capital construction projects is capitalised into their respective fixed asset categories on the balance sheet. The phased nature of this funding stream which extend out beyond respective project completion dates requires the use of commercial borrowing facilities to bridge the gap between capital funding receipts and intensive cash-outflows during construction periods. £6.6m of a £13m revolving loan facility with Barclays was drawn down during the year to support the construction payments.

Property Disposals the current year saw the disposal of three properties from a gifted ground rent portfolio with a profit on disposal of £421k. The prior year saw the disposal of two of the gifted properties (£2018/19 £65k), the properties were gifted to Jewish Care in November 2018.

Expenditure (note 8)

Expenditure on fundraising was £3.6m (2018/19 £3.5m). Expenditure on raising funds was 14% of donation and legacy income (2018/19 13%).

Expenditure on our charitable activities (including depreciation of £3.6m) for our care homes, day centres, home care, retirement living and mental health resources was £57m (2018/19 £52.6m). In headline terms the majority of the increase in expenditure in the year related to the opening of our new care home (Anita Dorfman) and the Wolfson Assisted Living suites replacing the older Princess Alexandra Home on the same site. The prior year saw a reduction in scale at Princess Alexandra in terms of occupancy and expenditure whilst we developed the new care home and assisted living facilities at Stanmore. We also faced the continued sector wide recruitment challenges with high agency usage for the majority of the year with a substantial increase in agency usage due to the onset of the Covid-19 pandemic, additional costs incurred in the last 2 weeks of March 2020 were circa £270k alone for PPE, self isolation costs and a complete re-provision of service delivery in other areas.

Charitable expenditure in our care homes was £38.4m (2018/19 £35m). The majority of the increase in expenditure in the year related to the opening of our new care home (Anita Dorfman) and the Wolfson Assisted Living apartments. Sector wide recruitment challenges also impacted the annual expenditure in our care homes with high agency costs and recruitment fees.

Charitable expenditure in our day centres was £7.1m (2018/19 £6.8m). March 20 saw the closure of all of our day Centres and a subsequent re-provision of services in a digital format supported by our befriending service and a meals on wheels delivery option.

Charitable expenditure in our home care service was £1.1m (2018/19 £1.2m). In light of an increasingly challenging environment with competition and over-saturation, we closed our North West London and Hertfordshire home care service in last quarter of 2020 with all clients supported in their transition to their provider of choice.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Financial Review (cont'd)

Expenditure (note 8)

Charitable expenditure in our retirement living service was £4.3m (2018/19 £3.6m). 2019/20 also saw a full year's operations of our retirement living scheme, Wohl Court in Hendon. Our third retirement living scheme of 48 units, Pears Court in Sandringham, Stanmore is expected to open in April 2021.

Charitable expenditure in our social work service was £2.2m (2018/19 £2.2m). Our social work service supports individuals, families, carers and communities and also plays a pivotal role in our care homes, retirement living 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 £1.9m (2018/19 £1.8m) reflecting the cost of the integrated mental health service provided by the Jewish Association for Mental Illness (JAMI).

Central costs are £5.7m (2018/19 £5.1m). The majority of the increase in costs represents a transfer of costs from charitable expenditure to central costs. 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.

Other expenditure of £520k sees the write off of the residual net book value of the former care home Princess Alexandra House having been replaced by the Anita Dorfman care home and Wolfson assisted living apartments at the Sandringham campus in Stanmore.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Financial Review (cont'd)

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

| | 31 March 2020 | 31 March 2019 |
|--|-----------------|-----------------|
| | £' 000 | £' 000 |
| Charitable income and expenditure | | |
| Charitable activities income ¹ | 34,966 | 33,307 |
| Charitable expenditure before depreciation ² | (53,358) | (49,623) |
| Operating charitable loss before donations | (18,392) | (16,316) |
| Other operational expenditure | | |
| Fundraising | (3,624) | (3,506) |
| Investment fees & other investment related costs | (190) | (218) |
| Depreciation and amortisation | (3,664) | (2,984) |
| Total other operational expenditure | (7,478) | (6,708) |
| Asset write offs (former Princess Alexandra Care Home) | (520) | - |
| Net operating loss before donations and other income | (26,390) | (23,024) |
| Income from donations and investments | | |
| Donations and legacies (excluding capital project donations) | 17,225 | 18,839 |
| Other trading entities | 70 | 155 |
| Investment income | 1,017 | 1,145 |
| Total income from donations and investments | 18,312 | 20,139 |
| Net operating (loss) | (8,078) | (2,885) |
| Net unrealised (losses)/gains on investments | (949) | 1,626 |
| Property Disposals | 421 | 65 |
| Capital project donations | | |
| Sandringham | 8,224 | 6,866 |
| Wohl Court | - | 917 |
| Maurice and Vivienne Wohl Campus | - | 20 |
| Leila's House (JAMI) | 110 | 177 |
| Total capital project donations | 8,334 | 7,980 |
| Actuarial gains on defined benefit pension scheme | 2,999 | 336 |
| Net movement in funds | 2,727 | 7,122 |

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

2. Charitable activities expenditure in our Care Homes, Day Centres, Home Care, Retirement Living and Mental Health services (note 8)

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Financial Review (cont'd)

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 2019. The deficit at 31 March 2020 under FRS102 is £10.6m (2018/19 £14.6m) and further details can be found in the pension's note 28. 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 continued at the level of £1.5m in 2019/20 with the agreement of the Pension Trustees. This elevated level of pension contributions and revised investment strategy are closely monitored by the scheme's actuaries to ensure that the deficit is fully repaid over the target period of 10-15 years. As a result of the onset of the Covid-19 pandemic, formal discussions took place with the pension trustees in line with the Pensions Regular Guidance issued at the time with a view to negotiating a 3 month suspension of contributions and a reduction in contributions by 50% for a 21 month period from July 2020 to March 2022. An agreement has been made with all parties, having regard to the Jewish Care employer covenant and the security charged therein.

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 Group's investments was £27.7m (2018/19 £29.3m). There were net losses on the investment portfolio of (£1m) (2018/19: gains of £1.6m). Investment losses for the year follow the decline in the global markets as a result of the Covid-19 pandemic, however, the markets rebounded after the Covid-19 lockdown 'shock' experience with the previous net losses within the investment portfolio subsequently recovered. 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 -1.4% in the year ended 31 March 2020 (last 3 years 13.1%, last 5 years 35.9%) and Quilter Cheviot achieving a one year total return of -3.2% in the year ended 31 March 2020 (last 3 years 8.5%, last 5 years 12.8%). Both of the investment managers have a fully discretionary investment management mandate with the risk profile for both Investment Managers being one of medium risk with an emphasis on capital growth with income. Performance is monitored by the Investment Expert Group (which has subsequently formed part of the remit for the Finance, Audit and Investment Committee formed after the Governance review mentioned above).

Ethical Investments

Jewish Care takes all reasonable steps to ensure that any decisions taken by its investment managers in respect of its corporate investments are consistent with its social care policies. Regular review of the investment managers' Ethical Investment Policy is undertaken.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

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. We believe in a diverse team and promote diversity and inclusion in all forms, we have policies in place to ensure we give candidates and existing staff equal opportunities to succeed. We are also registered as a Disability Confident employer. 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. Please refer to the section 172 statement on page 10 with regard to the interest of the company's employees.

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 8.24% it is significantly lower than the UK average of 17.3%. It should be noted that in 2019/20 our executive leadership 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.

The gender pay gap is available at jewishcare.org under about us/reports and publications.

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 and 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 and available at jewishcare.org

JEWISH CARE

3. STRATEGIC REPORT (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 and post the governance review, the newly formed Internal Audit, Assurance 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. The outbreak of Covid-19 introduced new risks whilst also compounding existing risks. Six 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 included the roll out the recommendations from a strategic review of our fundraising strategy 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 service users 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 continual 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 occupancy within our resources.
- 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.
- Property estate regulatory compliance, the risk of a failure to comply with statutory and regulatory regimes which ensure the safety of those living, using, entering or working in our premises. Risk control measures include the regular review of policies and procedures by both in house and independent external contractors, mandated training for staff, communication on a regular basis with all staff, and regular review and reporting by external contractors with oversight from our Property Expert Group.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Risk Policy (cont'd)

Six of the principal risks and uncertainties faced by the organisation this year and in future years with their risk control measures are: (cont'd)

- Care related (Care Quality Commission) or Health and Safety non-compliance with the regulatory regimes. Risk control measures include a systematic process to monitor and improve compliance by the best practice and compliance support team to include a regular and comprehensive auditing programme, robust learning from experience, KPI reporting with oversight from the Clinical Governance Committee, the Residential Care Services, Community Centres and Volunteering and the Independent Living Committees respectively.

Additional risks that the organisation faces as a result of the pandemic are as set out below:

- The risks above still remain valid and have been amplified by the onset of the Covid-19 pandemic in March 2020. Additional risks that the organisation faces as a result of the pandemic are as set out below. There are mitigation plans in place and others continue to emerge as we continue to evolve our services in light of changing guidance from the Department of Health and Care (DHSC) and Public Health England (PHE) soon to be changed to the National Institute for Health Protection and the risk of further waves.
- Foregone income, occupancy fell by over 20% between March and June 2020 with admissions frozen during the 12 week national lockdown. Admissions resumed in June 2020 when all Homes were Covid 19 free with occupancy beginning to increase on a slow trajectory that will take time to gain traction and restore pre Covid 19 occupancy levels. Admissions are dependent on a consistent, regular testing regime and the general public's view of the adult social care system.
- Local Authority Funding, both for residential fees and financial support for the impact of the pandemic. There is a risk of provider failure. Local Authorities (providers) have provided infection control funding and some increase in rates to cover PPE costs and infection control methods and procedures as mandated by the Government. This funding goes some way to support the additional pandemic costs but some local authorities have had a deterioration in overall financial position. The impact of this is a possible reduction in financial support with the risk of no increase in future residential fee rates to cover operational costs.
- Additional Costs of Covid-19, PPE and infection control measures will remain as an operational cost at a substantial level to the organisation.
- Future cost implications, at this stage we cannot anticipate the likely effect of the pandemic on certain costs such as legal and insurance premium costs, the financial extent of which will only be known with time.
- Economy, the length and financial impact of the pandemic on the wider economy in relation to voluntary income is as yet unknown with the risk that supporters cease donations due to the uncertainty of employment, the risk that some trusts and foundations will see an impact on the value of their assets with a subsequent impact on distributions and a severe restriction on Jewish Care's ability to fundraise. This issue will be compounded by an increase in a demand for services as the pandemic continues.
- Risk to the value of investments – global markets reacted to the Covid-19 pandemic with a decline in the value of the portfolio investments at the end of March 2020.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Risk Policy (cont'd)

Mitigation against the risks are as follows: (cont'd)

- The Jewish Homes Emergency Appeal was set up in early April alongside Nightingale Hammerson and The Fed in Manchester. 90% of the funds are allocated based on the number of registered residential care beds with 10% of the fund allocated to 11 smaller care homes under the National Association of Jewish Homes (NAJH). The Emergency Appeal generated just over £4m of which Jewish Care's allocation was just over £2m. As welcoming as this funding is, it goes part of the way to bridge the adverse financial impact of Covid 19 on the organisations finances.
- Working capital and cash - We have negotiated a loan capital repayment holiday of 12 months with Barclays which allows us to postpone capital repayments of £1m for one year. We have also negotiated an increase in the overdraft facility to £8m to cover working capital requirements.
- Reserves - Jewish Care has earmarked the release of £2.5m of reserves primarily to cover reduced income from our day to day operations and bearing in mind a full deficit of just over (£3m) at the end of March prior to the full financial shock of the pandemic. This is being monitored by our Finance, Audit and Investment Committee, in light of the impact of economic circumstances on our investment portfolio.
- Defined Benefit Pension Scheme - Jewish Care negotiated a 3 month suspension of defined benefit contributions and also a 50% reduction in those contributions on the recommencement of the payments in July 2020 until March 2022 in agreement with the Jewish Care Pension Trustees.
- The Jewish Care executive leadership team has embarked on a number of reset projects across the organisation as we continue to evolve our services for all of our clients bearing in mind sustainability and financial viability. In light of these plans the hard decision was made to close Clore Manor and transfer all of the residents to our newer homes, this process completed in September 2020. Our Day and Community Centres also remain closed with plans evolving to support this community and its members in a more sustainable way. Scenario planning and re-forecasting have also become an iterative process to support and risk assess income that is susceptible to reduction or loss, to inform the organisational reset projects and the 2021/22 budget process.

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

3. STRATEGIC REPORT (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 reducing 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 to include an emergency response. The Audit and Risk Committee (a sub-committee of the Jewish Care Board in the 2019/20 financial year) 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 2019/20 reserves policy considers that a level of £21.4m (represents approximately 4 & a half 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 2020:

At the 31 March 2020, the total funds held on a consolidated basis were £133.5m and were made up of the following:

Endowment reserves were £16.5m (2018/19 £16.7m) and represent the value of endowments to provide support to the general objectives of Jewish Care, the majority of which are properties and investments.

Restricted reserves were £3.5m (2018/19 £3.4m) and are spent in accordance with the conditions of the donors/funders. Please refer to note 23 in the financial statements for further details.

Designated reserves were £101.5m (2018/19 £101m) and represent the value of the functional tangible fixed assets of the organisation namely the homes, day centres and retirement living schemes from which Jewish Care operates its services and the commercial term loan and revolving facilities used to fund the construction of the Maurice and Vivienne Wohl Campus, Wohl Court at Hendon and Sandringham at Stanmore.

JEWISH CARE

3. STRATEGIC REPORT (cont'd)

Reserves Policy and Going Concern (cont'd)

Reserves (Funds) at the 31 March 2020 (cont'd)

Free (general) reserves before the pension deficit were £22.5m (2018/19 £24.2m) and are in line with the target of free reserves set at £21.4m. Jewish Care considers the level of general reserves in 2020 as appropriate, meeting the requirement for prudent management of its commitments in light of its on-going capital project strategy. In light of the Covid-19 pandemic, it has been agreed to use £2.5m of general reserves after the financial year end being reported on to provide financial support to the organisation. The reserves policy, budget process and strategic reset projects will acknowledge this withdrawal.

The revaluation reserve was £5.7m (2018/19 £6.8m) and represents the re-valuation of the investment portfolios and investment property. A revaluation reserve of £5.3m (2018/19 £6.3m) sits in the unrestricted reserves and a revaluation reserve of £0.4m (2018/19 £0.5m) sits in the endowment reserves, see further analysis in note 22. The downturn in the investment revaluation reserve follows the sudden decline in global markets in the last quarter of the financial year as a consequence of the Covid-19 pandemic.

The pension reserve was a deficit of £10.6m under FRS102 (2018/18 £14.6m) and represents the deficit on the defined benefit pension scheme. The programme to address this deficit has been discussed on page 35. Please also refer to note 28.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. This expectation includes an assessment of the impact of the outbreak of the Covid-19 pandemic. The financial accounts have been produced on the going concern basis given the level of reserves and the instigation of reset plans that were swiftly set in motion to mitigate financial exposure. These plans will all have completed by the end of March 2021. Further details of risks can be found on pages 37 to 39 with a more detailed assessment of the adoption of the going concern policy included in the accounting policies on page 52.

JEWISH CARE

4. 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 and 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; and
- 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

4. RESPONSIBILITIES OF TRUSTEES (cont'd)

The appointment of our new auditors, RSM UK LLP, was made on 16 March 2020 following a tender process supported by trustees.

The Trustees Annual Report which incorporates the Strategic Report and the Directors Report as required by company law has been approved and authorised for issue by the Board of Trustees in their capacity as directors on the 22 March 2021 and signed on their behalf by:



Chair & Trustee
Jonathan Zenios

22 March 2021

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

Opinion

We have audited the financial statements of Jewish Care (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Group and Company Balance Sheets and 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 FRS 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 the parent charitable company's affairs as at 31 March 2020 and of the group's 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 have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 and parent charitable company 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JEWISH CARE (cont'd)

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 auditor's 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.

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' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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 their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 returns adequate for our audit have not been received from branches not visited by us; 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JEWISH CARE (cont'd)

Responsibilities of trustees

As explained more fully in the Statement of Trustees responsibilities set out on pages 42 and 43, 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 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

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 provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

RSM UK Audit LLP

Hannah Catchpool (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date 30 March 2021

JEWISH CARE

Consolidated Statement of Financial Activities for the year ended 31 March 2020

| | | 2020 | 2019 | | | |
|--|-------|-----------------------|---------------------|--------------------|----------------|----------------|
| | Notes | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds | Total Funds |
| | | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Income and endowments from: | | | | | | |
| Donations and legacies | 5/23 | 16,036 | 1,189 | - | 17,225 | 18,839 |
| Capital project donations | 5 | - | 8,334 | - | 8,334 | 7,980 |
| Charitable activities | 6 | 34,839 | 127 | - | 34,966 | 33,307 |
| Other trading activities | | 70 | - | - | 70 | 155 |
| Investments | 10 | 1,017 | - | - | 1,017 | 1,145 |
| Disposal of Property | | 421 | - | - | 421 | 65 |
| Total | | 52,383 | 9,650 | - | 62,033 | 61,491 |
| Expenditure on: | | | | | | |
| Raising funds: | | | | | | |
| <i>Fundraising</i> | 8 | 3,624 | - | - | 3,624 | 3,506 |
| <i>Investment fees</i> | 8 | 190 | - | - | 190 | 185 |
| Charitable activities | 8/23 | 55,571 | 1,290 | 161 | 57,022 | 52,607 |
| Other expenditure | 8 | 520 | - | - | 520 | 33 |
| Total | 8 | 59,905 | 1,290 | 161 | 61,356 | 56,331 |
| Net gains/(losses) on investments | 13 | (901) | - | (48) | (949) | 1,626 |
| Net income | 4 | (8,423) | 8,360 | (209) | (272) | 6,786 |
| Transfer between funds | 23 | 8,224 | (8,224) | - | - | - |
| Actuarial gain/(loss) on defined benefit pension schemes | 28 | 2,999 | - | - | 2,999 | 336 |
| Net movement in funds | | 2,800 | 136 | (209) | 2,727 | 7,122 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 110,665 | 3,407 | 16,681 | 130,753 | 123,631 |
| Total funds carried forward | 24/25 | 113,465 | 3,543 | 16,472 | 133,480 | 130,753 |

The notes on pages 51 to 95 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 2019 as shown in note 34.

JEWISH CARE

Consolidated Summary Income and Expenditure Account for the year ended 31 March 2020

| | All income funds 2020 £' 000 | All income funds 2019 £' 000 |
|---|---------------------------------------|---------------------------------------|
| Income | 61,016 | 60,344 |
| (Losses)/gains on investments | (901) | 1,462 |
| Investment income | 1,017 | 1,145 |
| Gross income in the reporting period | 61,132 | 62,951 |
| Expenditure | 57,379 | 53,183 |
| Interest payable | 313 | 162 |
| Depreciation and amortisation of tangible and intangible fixed assets | 3,664 | 2,903 |
| Total expenditure in the reporting period | 61,356 | 56,248 |
| Net income before tax for the reporting period | (224) | 6,703 |
| Tax payable | - | - |
| Net (expenditure)/income for the financial year | (224) | 6,703 |

The Consolidated Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 47 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 2020

Registered No. 02447900

| | Note | Group | | Restated Company | |
|--|----------|----------|----------|------------------|----------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | £' 000 | £' 000 | £' 000 | £' 000 |
| Fixed Assets | | | | | |
| Tangible assets | 11 | 133,729 | 127,809 | 133,754 | 127,567 |
| Intangible assets | 12 | 842 | 994 | 842 | 994 |
| Investments | 13 | 27,751 | 29,335 | 28,008 | 29,592 |
| | | 162,322 | 158,138 | 162,604 | 158,153 |
| Current Assets | | | | | |
| Debtors | 15 | 5,210 | 5,268 | 5,465 | 4,889 |
| Stock | 16 | 173 | 105 | 173 | 105 |
| Cash at bank and in hand | 27 | 6,284 | 4,332 | 3,872 | 2,291 |
| | | 11,667 | 9,705 | 9,510 | 7,285 |
| Liabilities | | | | | |
| Creditors – Amounts falling due within one year | 17 | (11,988) | (10,938) | (11,868) | (10,232) |
| Net Current (liabilities) | | (321) | (1,233) | (2,358) | (2,947) |
| Total Assets Less Current Liabilities | | | | | |
| | | 162,001 | 156,905 | 160,246 | 155,206 |
| Creditors – Amounts falling due after more than one year | 20 | (17,932) | (11,532) | (17,932) | (11,532) |
| Total assets less total liabilities excluding pension liabilities | | 144,069 | 145,373 | 142,314 | 143,674 |
| Defined benefit pension scheme provision | 28 | (10,589) | (14,620) | (10,589) | (14,620) |
| Total net assets | | 133,480 | 130,753 | 131,725 | 129,054 |
| The funds of the charity: | | | | | |
| Restricted funds | | | | | |
| Endowment funds | 22/24/25 | 16,472 | 16,681 | 16,472 | 16,681 |
| Restricted income funds | 23/24/25 | 3,543 | 3,407 | 3,508 | 3,396 |
| Unrestricted funds | | | | | |
| Designated funds | 25 | 101,548 | 101,087 | 100,869 | 100,111 |
| General funds | 25 | 22,506 | 24,198 | 21,465 | 23,486 |
| Total unrestricted funds | | 124,054 | 125,285 | 122,334 | 123,597 |
| Pension reserve | 25/28 | (10,589) | (14,620) | (10,589) | (14,620) |
| Total charity funds | 24/25 | 133,480 | 130,753 | 131,725 | 129,054 |

Approved and authorised for issue by the Board on a 22 March 2021 and signed on its behalf by


Jonathan Zenios (Chair)


Graham Edwards (Treasurer)

The Charity only deficit for the year ended 31 March 2020 is £0.343m (2018/19 surplus of £7.022m). The notes on pages 51 to 95 form an integral part of these accounts.

JEWISH CARE

Consolidated Statement of Cashflows for the year ended 31 March 2020

| | Note | 2020 | 2019 |
|---|-------|----------------|-----------------|
| | | £' 000 | £' 000 |
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 27 | 4,136 | 7,223 |
| Cashflows from investing activities: | | | |
| Dividends, interest & returns from investments | | 827 | 943 |
| Payments to acquire tangible and intangible fixed assets | 11/12 | (9,952) | (26,260) |
| Proceeds from sale of investments | 13 | 5,676 | 3,336 |
| Proceeds from sale of investment assets | | 613 | 111 |
| Payments to acquire investments | 13 | (4,998) | (2,807) |
| Net cash used in investing activities | | (7,834) | (24,677) |
| Cash flows from financing activities: | | | |
| Repayments & financing | | 5,650 | 7,300 |
| Net cash from financing activities | | 5,650 | 7,300 |
| Change in cash and cash equivalents in the reporting period | | 1,952 | (10,154) |
| Cash and cash equivalents at the beginning of the reporting period | | 4,332 | 14,486 |
| Cash and cash equivalents at the end of the reporting period | 27 | 6,284 | 4,332 |

The notes on pages 51 to 95 form an integral part of these accounts.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

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.

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 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) and the Companies Act 2006. The financial statements are prepared in sterling, both the functional and presentational currency of the company. Financial values are rounded to the nearest whole pound. As a qualifying entity within the meaning of FRS 102 the charitable company has chosen to take advantage in its individual financial statements of the following disclosure exemption: - section 7 – presentation of a statement of cash flows, related notes and disclosures.

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

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

2. Accounting Policies (cont'd)

Preparation of accounts on a going concern basis

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future, this expectation includes an assessment of the impact of the outbreak of the Covid-19 pandemic. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements and have thereby adopted the going concern basis of accounting in preparing the financial statements. From the outset of the pandemic, Trustees were furnished with financial scenarios and forecasts taking into consideration the financial shock of the pandemic on the organisation as a whole. The financial scenarios took account of the key financial pressures on the Charity's residential income, voluntary income, day and community centre income and the Charity's organisational cost base. In response, Trustees made a number of strategic decisions, the majority of which have been actioned and completed at the time of approving these financial statements.

- The Jewish Homes Emergency Appeal was set up in April 2020 alongside Nightingale Hammerson and The Fed in Manchester. The Emergency Appeal generated just over £4m of which Jewish Care's allocation was just over £2m.
- Working capital and cash - a loan capital repayment holiday of 12 months with Barclays allowed us to postpone capital repayments of £1m for one year (to be paid as a bullet payment at the end of the term). We also negotiated an increase in the overdraft facility to £8m to cover working capital requirements.
- Reserves - the release of £2.5m of reserves primarily to cover reduced income from our day to day operations. Significant reserves remain for any future support of the organisation required.
- Defined Benefit Pension Scheme - Jewish Care negotiated a 3-month suspension of deficit reduction contributions and also a 50% reduction in those contributions on the recommencement of the payments in July 2020 until March 2022 in agreement with the directors of the Jewish Care Pension Trustee.
- The Executive Leadership Team embarked on a number of reset projects across the organisation. In light of these plans, the hard decision was made to close Clore Manor and transfer all of the residents to our newer homes across the estate. This process completed in September 2020. The continued lockdown measures meant that all of our Day and Community Centres remained closed, a significant restructuring programme took place and completed in January 2021. A restructuring programme of support/central departments was also undertaken and will complete at the beginning of March 2021.
- The 2021/22 budget has also been completed and will be approved by the Trustee board in March 2021. The budgeting process included the analysis of a number of scenarios to include a vaccine failure (causing a further drop in occupancy in our care homes) and a slower recovery in occupancy. Mitigation plans in light of any of these scenarios have been discussed and will be actioned as and when necessary, these include planned property sales.
- Jewish Care also took advantage of the government Coronavirus Job Retention Scheme (CJRS) for a number of staff where applicable.
- Financial support from the government in terms of Infection Control Funding (ICF) is being utilised, regular reporting submissions are made to each local authority in accordance with its terms and conditions.

In view of the steps completed and being taken as listed above, the Trustees consider that the Group has both sufficient funding and liquidity for the foreseeable future. The Charity therefore continues to adopt the going concern basis in the preparation of its financial statements.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

2. Accounting Policies (cont'd)

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 14 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 deficit of the parent Charity to include capital gifts was £0.343m (2018/19: surplus of £7.022m). Uniform SORP accounting policies have been applied.

Basis of Consolidation

The Charity operated 3 subsidiaries and 20 linked Charities, all subsidiaries are consolidated into the group accounts and consolidated on a line by line basis, linked Charities are accounted for as branches in the accounts of the Charity. Of the three larger subsidiaries and linked Charities, Community Trading Limited is a trading subsidiary wholly owned by Jewish Care, the Joel Emanuel 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.

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 accounted for on a receivable basis. Income from the government Coronavirus Job Retention Scheme (CJRS) in the amount of £5,544 has been accounted for on a receivables 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. Where a performance condition to entitlement has not been met, income is deferred.

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.

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 the contribution of donated hours is estimated at between £3m to £4m, this 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.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

2. Accounting Policies (cont'd)

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 retirement 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 8 for further information on the allocation of costs. Any irrecoverable VAT is included with the costs to which it relates.

The cost of raising funds are those costs that are attributable to raising funds for the Charity, other than costs incurred in undertaking the charitable activities or investing activities. The costs of raising funds represent direct costs and overheads associated with raising donated income, they also include an allocation of central costs as shown in note 8.

The central costs which include governance costs are shown in note 8 and 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.

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 Trustee 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 28 for further details.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

2. Accounting Policies (cont'd)

Employee benefits

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 11). 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 |

Intangible fixed assets and amortisation

Intangible assets are stated at cost as stated in the balance sheet or value less amortisation. Amortisation on software is provided using the straight line method at 25%. Costs recognised with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of unique software products are recognised as intangible fixed assets (Dynamics 365, CRM and Razors Edge).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

2. Accounting Policies (cont'd)

Investments

Listed 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. The level of investment funds held by the Charity take into account income requirements and risk profile. Both investment managers have a fully discretionary investment management mandate with the risk profile for both Investment Managers being one of medium risk with an emphasis on capital growth with income. Performance is monitored by the Investment Expert Group (which has subsequently formed part of the remit for the Finance, Audit and Investment Committee formed after an organizational governance review).

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.

The results of subsidiaries are included in the Jewish Care group's total charitable income/expenditure or trading income/expenditure as their respective financial designation determines. Consolidation of the subsidiaries is as determined by the groups control and power to govern the financial and operating policies of the subsidiaries as to obtain benefits from their activities. Investments in subsidiaries are accounted for at cost.

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 2020

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 (General) 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 28.

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 2020

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 2020 (please also see note 14 for further details).

Statement of Income and Retained Earnings

| | 2020 | 2019 |
|--|------------|------------|
| | £' 000 | £' 000 |
| Turnover | 10,479 | 25,168 |
| Cost of sales | (9,572) | (24,391) |
| Gross profit | 907 | 777 |
| Administrative expenses | (66) | (72) |
| Operating profit | 841 | 705 |
| Interest receivable | - | - |
| Profit before taxation | 841 | 705 |
| Taxation expense | - | - |
| Profit after taxation and profit for the financial year | 841 | 705 |
| Qualifying payment to Jewish Care | (841) | (705) |
| Total Shareholders' Funds at 1 April 2019/2018 | 13 | 13 |
| Total Shareholders' Funds at 31 March 2020/2019 | 13 | 13 |

Statement of Financial Position as at 31 March

| | 2020 | 2019 |
|---|-----------|-----------|
| | £' 000 | £' 000 |
| Current assets | 4,746 | 1,499 |
| Creditors (amounts falling due in one year) | (4,733) | (1,486) |
| Total assets less current liabilities | 13 | 13 |
| Total Shareholders' Funds | 13 | 13 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

3. Subsidiaries (cont'd)

The Joel Emanuel Trust (JET) is a 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 2020 (please also see note 14 for further details).

Statement of Comprehensive Income

| | 2020 | 2019 |
|---|--------------|--------------|
| | £' 000 | £' 000 |
| Turnover | 1,605 | 1,492 |
| Operating expenditure | (1,712) | (1,417) |
| Operating (deficit)/surplus for the year | (107) | 75 |
| Dividend & interest receivable | 34 | 44 |
| (Losses)/gains on investments | (59) | 147 |
| Interest payable | (55) | - |
| (Deficit)/surplus for the year | (187) | 266 |
| Total reserves at 1 April 2019/2018 | 6,353 | 6,087 |
| Total reserves at 31 March 2020/2019 | 6,166 | 6,353 |

Statement of Financial Position as at 31 March

| | 2020 | 2019 |
|---|--------------|--------------|
| | £' 000 | £' 000 |
| Fixed assets | 5,939 | 6,082 |
| Current assets | 311 | 353 |
| Creditors (amounts falling due in one year) | (84) | (82) |
| Total Net Assets | 6,166 | 6,353 |
| Reserves | | |
| Income and expenditure reserve | 226 | 271 |
| Revaluation reserve | 132 | 130 |
| Designated reserve | 9 | 9 |
| Endowment reserve | 5,799 | 5,943 |
| Total Reserves | 6,166 | 6,353 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

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 2020 (please also see note 14 for further details).

Statement of Financial Activities

| | 2020 | 2019 |
|--|--------------|--------------|
| | £' 000 | £' 000 |
| Income- donations and legacies (revenue) | 1,722 | 1,253 |
| Income – charitable activities (includes grant from Jewish Care) | 1,092 | 1,088 |
| Charitable expenditure | (2,667) | (2,465) |
| Net income/(expenditure) before capital donations | 147 | (124) |
| Capital donations | 110 | 177 |
| Net income after capital donations | 257 | 53 |
| Total funds at 1 April 2019/2018 | 2,966 | 2,913 |
| Total funds at 31 March 2020/2019 | 3,223 | 2,966 |

Balance Sheet as at the 31 March

| | 2020 | 2019 |
|--|--------------|--------------|
| | £' 000 | £' 000 |
| Fixed Assets | 1,212 | 1,252 |
| Current assets | 2,230 | 1,893 |
| Creditors (amounts falling due in one year) | (219) | (179) |
| Total assets less current liabilities | 3,223 | 2,966 |
| Charity Funds | | |
| Designated* | 1,565 | 1,479 |
| Restricted | 35 | 11 |
| Unrestricted | 1,623 | 1,476 |
| Total Charity Funds | 3,223 | 2,966 |

*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 2020

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:

| | 2020 | 2019 |
|---|--------|--------|
| | £' 000 | £' 000 |
| Staff costs (note 7) | 35,517 | 34,520 |
| Depreciation and amortisation (note 11 & 12) | 3,664 | 2,984 |
| Operating Leases – buildings | 204 | 485 |
| Operating leases – equipment & vehicles | 114 | 408 |
| Auditors' remuneration (excludes VAT) | | |
| - RSM UK Audit LLP - audit fees including £40,349 in respect of the Charity | 61 | - |
| -Haysmacintyre LLP – audit fees including £38,100 in respect of the Charity | - | 45 |
| Internal audit fees (excludes VAT) | | |
| - Haysmacintyre LLP | 39 | 54 |

5. Donations and Legacies

| | 2020 | 2020 | 2020 | 2019 |
|---------------------------|--------------|------------|--------|--------|
| | £' 000 | £' 000 | £'000 | £'000 |
| | Unrestricted | Restricted | Totals | Totals |
| Legacy income | 4,615 | - | 4,615 | 5,294 |
| Revenue donations | 11,421 | 1,189 | 12,610 | 13,545 |
| Capital project donations | - | 8,334 | 8,334 | 7,980 |
| | 16,036 | 9,523 | 25,559 | 26,819 |

6. Charitable Activity Income

| | 2020 | 2020 | 2020 | 2019 |
|----------------------------|--------------|------------|--------|--------|
| | £' 000 | £' 000 | £'000 | £'000 |
| | Unrestricted | Restricted | Totals | Totals |
| Charitable Activity Income | 34,839 | 127 | 34,966 | 33,307 |
| | 34,839 | 127 | 34,966 | 33,307 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

7. Staff Costs

| | 2020 | 2019 |
|---|---------------|---------------|
| | £' 000 | £' 000 |
| Wages and salaries | 31,055 | 29,224 |
| Social security costs | 2,638 | 2,463 |
| Pension costs – defined contribution | 1,037 | 981 |
| Pension costs – defined benefit | 602 | 1,592 |
| Redundancy & termination costs | 185 | 260 |
| | 35,517 | 34,520 |
| Payments made to independent third parties for the provision of staff | 224 | 288 |

Employees received £98,680 (2018/19: £93,963) 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 £1,039,549 (2018/19: £1,152,056). None of the Jewish Care Trustees received any remuneration or expenses for their work associated with the Charity. The average number of people employed by the Group during the year was 1,334 (2018/19: 1,329). Of these, the average number of employees directly involved in care related work was 633 (2018/19: 631). Volunteers do not receive any remuneration for their volunteering time but can be reimbursed for out of pocket expenses where applicable. The contribution of many thousands of hours given by our 3,000 unpaid volunteers has not been reflected in these accounts.

The premium paid 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.

At the 31 March 2020, the following number of employees earned in excess of £60,000 per annum including benefits in kind but excluding national insurance and pension costs:

| | 2020 | 2019 |
|--------------------------|------|------|
| | 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 | 7 | 8 |
| £110,001 - £120,000 | 1 | 1 |
| £130,001 - £140,000 | 1 | 1 |
| £170,001 - £180,000 | 1 | 1 |

The Chief Executive falls in the highest banding above.

Employer's pension contributions for employees whose emoluments exceeded £60,000 were £66,068 (2018/19: £66,068).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

8. Analysis of Expenditure 2020

| | Direct | | | | | 2020 | 2019 |
|------------------------------|---------------|--------------|---------------|--------------|--------------|---------------|---------------|
| | Personnel | Fundraising | Establishment | Client/Other | Central | Totals | Totals |
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Fundraising | 1,632 | 1,294 | 209 | 276 | 213 | 3,624 | 3,506 |
| Totals | 1,632 | 1,294 | 209 | 276 | 213 | 3,624 | 3,506 |
| Charitable activities | | | | | | | |
| Care Homes | 24,482 | - | 7,347 | 2,875 | 3,718 | 38,422 | 35,042 |
| Day Centres | 3,716 | 1 | 1,368 | 1,205 | 849 | 7,139 | 6,773 |
| Home Care | 875 | - | 61 | 49 | 100 | 1,085 | 1,205 |
| Retirement Living | 2,525 | - | 1,272 | 286 | 248 | 4,331 | 3,620 |
| Social Work | 1,816 | 1 | 163 | 32 | 287 | 2,299 | 2,190 |
| Indirect Community Services | 1,260 | - | 147 | 23 | 96 | 1,526 | 1,711 |
| Mental Health | 1,163 | 264 | 498 | - | - | 1,925 | 1,794 |
| Project Costs | 231 | 35 | 2 | 27 | - | 295 | 272 |
| Totals | 36,068 | 301 | 10,858 | 4,497 | 5,298 | 57,022 | 52,607 |
| Investment fees | - | - | - | - | 190 | 190 | 185 |
| Totals | - | - | - | - | 190 | 190 | 185 |
| Other expenditure | - | - | - | 520 | - | 520 | 33 |
| Totals | - | - | - | 520 | - | 520 | 33 |
| Total expenditure | 37,700 | 1,595 | 11,067 | 5,293 | 5,701 | 61,356 | 56,331 |

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 page 65.

Other expenditure relates to the write off of the residual net book value of the former property Princess Alexandra and related fixtures and fittings as part of the capital project development projects at Stanmore.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

8. Analysis of Expenditure 2019

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

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 page 66.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

Analysis of Expenditure (cont'd)

8. Analysis of Expenditure 2020 (Central Costs)

| | Human resources | Information technology | Facilities | Finance | Governance | Investment Fees | 2020 Totals | 2019 Totals |
|----------------------------------|--------------------|---------------------------|--------------|--------------|------------|--------------------|----------------|----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Fundraising | 64 | 22 | 59 | 49 | 19 | - | 213 | 174 |
| Totals | 64 | 22 | 59 | 49 | 19 | - | 213 | 174 |
| Charitable activities | | | | | | | | |
| Care Homes | 1,124 | 392 | 1,009 | 857 | 336 | - | 3,718 | 3,396 |
| Day Centres | 257 | 89 | 230 | 196 | 77 | - | 849 | 613 |
| Home Care | 30 | 11 | 27 | 23 | 9 | - | 100 | 113 |
| Retirement Living | 75 | 26 | 68 | 57 | 22 | - | 248 | 195 |
| Social Work | 87 | 30 | 78 | 66 | 26 | - | 287 | 284 |
| Indirect Community Services | 29 | 10 | 26 | 22 | 9 | - | 96 | 161 |
| Project Costs | - | - | - | - | - | - | - | 4 |
| Totals | 1,602 | 558 | 1,438 | 1,221 | 479 | - | 5,298 | 4,766 |
| Investment fees | - | - | - | - | - | 190 | 190 | 185 |
| Totals | - | - | - | - | - | 190 | 190 | 185 |
| Total expenditure | 1,666 | 580 | 1,497 | 1,270 | 498 | 190 | 5,701 | 5,125 |

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 2020

8. Analysis of Expenditure 2019 (Central Costs)

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

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 2020

9. Interest payable

| | 2020 | 2019 |
|--|--------|--------|
| | £' 000 | £' 000 |
| Interest payable on Barclays term loan | 313 | 162 |
| | 313 | 162 |

10. Investment Income

| | 2020 | 2019 |
|--------------------------------------|--------|--------|
| | £' 000 | £' 000 |
| Dividends and interest receivable | 1,003 | 1,069 |
| Short-term deposit and sundry income | 14 | 59 |
| | 1,017 | 1,128 |

Of the above, £700,200 (2018/19: £700,200) relates to income from listed investments.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

11. 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 2019 | 116,317 | 28,773 | 1,025 | 6,998 | 13 | 153,126 |
| Additions | - | 9,451 | - | 270 | - | 9,721 |
| Projects completed | 26,160 | (26,160) | - | - | - | - |
| Write off of assets | (808) | - | - | (268) | - | (1,076) |
| At 31 March 2020 | 141,669 | 12,064 | 1,025 | 7,000 | 13 | 161,771 |
| Depreciation | | | | | | |
| At 1 April 2019 | 20,659 | - | 332 | 4,323 | 3 | 25,317 |
| Charge for period | 2,741 | - | 20 | 519 | 1 | 3,281 |
| Write off of assets | (321) | - | - | (235) | - | (556) |
| At 31 March 2020 | 23,079 | - | 352 | 4,607 | 4 | 28,042 |
| Net book value | | | | | | |
| At 31 March 2020 | 118,590 | 12,064 | 673 | 2,393 | 9 | 133,729 |
| At 31 March 2019 | 95,658 | 28,773 | 693 | 2,675 | 10 | 127,809 |

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.

Barclays Bank PLC also hold 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, Retirement Living at Hendon (note 20).

The write off of assets relates to the removal of the residual net book value of the former property Princess Alexandra and related fixtures and fittings as part of the capital project development projects at Stanmore.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

11. Tangible Assets (cont'd)

Company

| | Freehold land and buildings | Assets under construction | Long leasehold land and buildings | Equipment | Motor vehicles | Total |
|-------------------------|-----------------------------------|------------------------------|--|--------------|-------------------|----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Cost | | | | | | |
| 1 April 2019 (restated) | 114,985 | 29,888 | 1,025 | 6,644 | - | 152,542 |
| Additions | - | 9,653 | - | 272 | - | 9,925 |
| Projects completed | 26,160 | (26,160) | - | - | - | - |
| Write off of assets | (808) | - | - | (271) | - | (1,079) |
| At 31 March 2020 | 140,337 | 13,381 | 1,025 | 6,645 | - | 161,388 |
| Depreciation | | | | | | |
| 1 April 2019 (restated) | 20,636 | - | 332 | 4,007 | - | 24,975 |
| Charge for the period | 2,714 | - | 20 | 481 | - | 3,215 |
| Write off of assets | (321) | - | - | (235) | - | (556) |
| At 31 March 2020 | 23,029 | - | 352 | 4,253 | - | 27,634 |
| Net book value | | | | | | |
| At 31 March 2020 | 117,308 | 13,381 | 673 | 2,392 | - | 133,754 |
| (Restated) | | | | | | |
| At 31 March 2019 | 94,349 | 29,888 | 693 | 2,637 | - | 127,567 |

Tangible assets are all primarily used for charitable purposes.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

12. Intangible Assets

| Group | Development Costs | |
|-------------------------|-------------------|------------|
| | £' 000 | £' 000 |
| Cost | | |
| At 1 April 2019 | 1,968 | 1,968 |
| Additions | 231 | 231 |
| At 31 March 2020 | 2,199 | 2,199 |
| Amortisation | | |
| 1 April 2019 | 974 | 974 |
| Charge for the period | 383 | 383 |
| At 31 March 2020 | 1,357 | 1,357 |
| Net book value | | |
| At 31 March 2020 | 842 | 842 |
| At 31 March 2019 | 994 | 994 |

Development costs that are directly attributable to the design and testing of unique software products. (Dynamics 365, CRM and Razors Edge).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

13. Investments

Movement in investments

| Group | Investment | Other | 2020 | 2019 |
|---|------------|-------------|---------|---------|
| | properties | investments | Total | Total |
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Market value at the start of the period | 1,343 | 27,992 | 29,335 | 26,996 |
| Additions at cost | - | 3,051 | 3,051 | 4,141 |
| Disposal proceeds | (137) | (5,538) | (5,675) | (3,382) |
| Cash movements | - | 1,947 | 1,947 | (46) |
| Realised (loss)/gain | - | (455) | (455) | 241 |
| Unrealised gain/(loss) | 60 | (512) | (452) | 1,385 |
| Market value at the end of the period | 1,266 | 26,485 | 27,751 | 29,335 |

Company

| | Investment | Other | 2020 | Restated |
|---|------------|-------------|---------|----------|
| | properties | investments | Total | 2019 |
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Market value at the start of the period | 1,343 | 28,249 | 29,592 | 27,274 |
| Additions at cost | - | 3,051 | 3,051 | 4,141 |
| Disposal proceeds | (137) | (5,538) | (5,675) | (3,382) |
| Cash movements | - | 1,947 | 1,947 | (46) |
| Realised (loss)/gain | - | (455) | (455) | 251 |
| Unrealised gain/(loss) | 60 | (512) | (452) | 1,354 |
| At 31 March | 1,266 | 26,742 | 28,008 | 29,592 |

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, 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 2020 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, a desktop review by Herschell Consulting Ltd as at the 31 March 2020 suggest no material impairments.

Investments may be analysed as follows:

| | Group | | Company | |
|---------------------------------------|--------------|--------|--------------|--------|
| | Market value | Cost | Market value | Cost |
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Investment properties | 1,266 | 1,205 | 1,266 | 1,205 |
| Investment in subsidiary undertakings | - | - | 10 | 10 |
| Sterling and foreign currency bonds | 3,928 | 3,972 | 3,928 | 3,972 |
| Equities and convertibles | 17,345 | 11,653 | 17,604 | 11,913 |
| Hedge Funds and Commodities | 1,402 | 1,415 | 1,402 | 1,415 |
| Deposits | 3,810 | 3,764 | 3,798 | 3,798 |
| | 27,751 | 22,009 | 28,008 | 22,313 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

14. 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 subsidiaries and linked Charities are consolidated into the group accounts). 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 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 loss of £309k result with net liabilities of (£309k). Linked Charity numbers are also disclosed where available.

| Name of Subsidiary/Linked Charity Undertakings | Basis of Control |
|--|---|
| 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) |
| Jewish Care Pension Trustees Limited | 100% subsidiary - (Co. No. 02493041) dormant so not consolidated |
| Linked Charities | |
| Joel Emanuel Trust | Linked Charity - 802559-12 |
| The Board of Guardians and Trustees for the Relief of the Jewish Poor commonly known as the Jewish Welfare Board | Linked Charity – 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 and Hove Jewish Home | Linked Charity – 802559-4 |
| Maurice and 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 | |
| Clara Baroness De Hirsch Convalescent Fund | Linked Charity – 802559-14 |
| Maitland Joseph Trust | Linked Charity – 802559-11 |
| The Anthony and Annie Muller Seaside Convalescent Home | Linked Charity – 802559-13 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

14. Subsidiary Undertakings and Linked Charities (cont'd)

| Name of Dormant Subsidiary | Basis of Control |
|---|--|
| 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 included 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 |

Linked Charities

Linked Charities of which there are 20 are administered by Jewish Care, all of which are linked as predecessor organisations to Jewish Care having been providing care and support for the community since the 1850s. Details of governing documents, charitable objects, areas of benefit and registration history are set out as follows. The activities and achievements of Jewish Care and its linked charities are outlined throughout this report and review, and fully demonstrate that the charity is providing public benefit. The charitable purposes and history of each of the linked Charities are set out as follows:

George Julian Egerton Fund– 802559-1 – will of George Julian Egerton dates 21 March 1961. To meet the needs of those Jewish ladies and gentlemen of good family who having lived in comfortable conditions in earlier life find themselves in middle or old age in reduced circumstances and lacking the comforts to which they were formerly accustomed and thus enabling such persons to live more comfortably and in conditions more nearly approximating to those which they previously enjoyed. Registered as a linked Charity on the 26 November 2008. Funds were applied to the general purposes of Jewish Care as agreed with the Charity Commission in January 2009.

Maurice and Samuel Lyon Home – 802559-2 – will proved 29 June 1931 and scheme of the 18 November 1932 as amended by a scheme of the commissioners dated 31 December 1990 (as affected by a uniting direction made under s.96 of the charities act 1993 and dated 24 October 2008). Home for convalescent persons of the Jewish faith. Registered as a linked Charity on the 26 November 2008. Please refer to note 22 for further information.

The Levy Charitable Trust – 802559 - 3 – scheme sealed 7 March 1996 (as affected by a uniting direction made under s.96 of the charities act 1993 and dated 24 October 2007). The relief of persons of the Jewish faith (wherever resident but in particular those residing in the United Kingdom) who are in need, or suffering sickness, hardship or distress, or who suffer visual or other physical or mental impairment resulting in disability or handicap. Registered as a linked Charity on the 26 November 2008. Funds were applied to the general purposes of Jewish Care as agreed with the Charity Commission in January 2009.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

14. Subsidiary Undertakings and Linked Charities (cont'd)

Brighton and Hove Jewish Home – 802559-4 - declaration of trust dated 19 November 1952 as amended by scheme of the charity commissioners 22 August 1996 (as affected by a uniting direction made under s96 of the charities act 1993 and dated 24 October 2008). For the residence of persons being aged, poor and ailing respectable persons of the Jewish faith, who are not under the age of 60 years and who have resided continuously in the county of Sussex for a period of not less than 3 years immediately prior to the application for admission. Registered as a linked Charity on the 26 November 2008. See restricted reserves note 23 (Hyman Fyne).

Stepney Jewish (B'nai B'rith) Clubs and Settlement – 802559-5 - memorandum and articles of association incorporated 14 July 1937 as amended 6 December 1949, 20 July 1954, 8 September 1959 and 25 November 1964 ((as affected by a uniting direction made under s96 of the charities act 1993 and dated 24 October 2008). To establish clubs for poor girls and infant welfare and play centres and generally to promote welfare of the poor and the relief of distress by social, educational and religious agencies. Registered as a linked Charity on the 26 November 2008. The Stepney Jewish (B'nai B'rith) Clubs and Settlement is a dormant entity, please refer to the financial statements filed at companies house under company number 00329785.

Redbridge Jewish Youth and Community Centre – 802559-6 - constitution adopted 3 May 1967 as amended 9 June 1975, trust deed dated 18 March and schemes of the 7 April 1976 (as affected by a uniting direction made under s.96 of the charities act 1993 and dated 24 October to provide a youth centre for the use of young persons residing in or near the London borough of Redbridge, particularly such young persons as are of the Jewish faith, and in particular for the use of meetings, lectures and classes and for other forms of recreation and leisure time occupation for the purposes of educating and assisting young persons to develop their physical, mental and spiritual capacities so that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved. Registered as a linked Charity on the 26 November 2008. Redbridge Jewish Youth and Community Centre merged with Jewish Care pursuant to a transfer dated 15 August 1997.

The Jewish Home and Hospital at Tottenham – 802559-7 - the laws of the home as amended 15 September 1963 and 22 November 1992 (as affected by a uniting direction made under s.96 of the charities act 1993 and dated 24 October 2008). 1. To provide for the care, maintenance and medical treatment of persons of the Jewish faith, 16 years of age and over, who are permanently disabled by chronic disease, accident or deformity. (certain diseases are excepted), 2) to support the charitable purposes of Jewish Care. Registered as a linked Charity on the 26 November 2008. Funds were applied to the general purposes of Jewish Care as agreed with the Charity Commission in January 2009.

The Board of Guardians and Trustees for the Relief of the Jewish Poor, commonly known as the Jewish Welfare Board – 802559-8 - laws of the board adopted on 29 March 1967 confirmed 5 April 1967 as amended 15 November 1967, 18 March 1992 and scheme of 14 December 1989 (as affected by a uniting direction made under s.96 of the charities act 1993 and dated 24 October 2006). To relieve the poverty and to ameliorate the condition of the Jewish poor of the metropolis. Registered as a linked Charity on the 26 November 2008. One of the main predecessor organisations of Jewish Care.

The Jewish Blind Society – 802559-9 - laws and regulation adopted 3 May 1965 as amended 19 March 1992. The assistance of needy members of the Jewish faith who are totally blind or registered blind or partially sighted and their dependants. Registered as a linked Charity on the 26 November 2008. One of the main predecessor organisations of Jewish Care.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

14. Subsidiary Undertakings and Linked Charities (cont'd)

HE David Fund – 802559-10 - legacy from 1935, income preferably for international work. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Maitland Joseph Trust – 802559-11 - will dated 20 January 1962 as amended by scheme dated 17 April 2018 the object of the charity is, for the public benefit, the relief of the elderly in need, in particular by providing specially designed or adapted housing. Registered as a linked Charity on the 3 June 2009. Please refer to note 22 for further information.

Joel Emanuel Trust - 802559-12 - scheme of the charity commissioners dated 30 December 1976, as amended by scheme dated 24 January 2006, the relief of financial hardship of persons of the Jewish faith in particular those in housing need. Registered as a linked Charity on the 3 June 2009. Please refer to the separate audited financial statements for the Joel Emanuel Trust for the year ended 31 March 2020 and note 22 for further information.

The Anthony and Annie Muller Seaside Convalescent Home – 802559-13 - chancery scheme of 8 July 1924 and scheme of 28 June 1961. The establishment of a seaside convalescent home for children and the payment for convalescent treatment for children and adults. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Clara Baroness De Hirsch Convalescent Fund – 802559-14 - schemes of 2 August 1898, 4 July 1930 and 16 March 1934. Defraying cost of maintenance in convalescent homes for sick or infirm poor. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Sophia Gardner Fund – 802559-15 – letter dated 3 October 1960, income for gifts for orphan boys. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

A E Franklin Fund – 802559-16 – letter of September 1926, income for non-medical extras for short period convalescent children at the Muller home. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Alexander Jacob Memorial Fund – 802559-17 – Board minute of 8 February 1904, income for widows. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Jewish Convalescent Home (Brighton Branch) – 802559-18 – schemes of 14 August 1931 and 30 June 1950, convalescent treatment for poor Jewish patients. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

14. Subsidiary Undertakings and Linked Charities (cont'd)

R A Schlesinger Fund – 802559-19 – letter dated 15 April 1963, income for the benefit of convalescent children. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

Nathan Simpson Trust – 802559-20 – order of high court justice, chancery division 31 July 1885, income for the benefit of deserving poor young kindred or other deserving poor young persons. Registered as a linked Charity on the 3 June 2009. Funds were applied to the general purposes of Jewish Care by the passing of a resolution by the Jewish Care board on the 11 October 2004 whereby the property of the Charity was too small to achieve any useful purpose in its own right.

15. Debtors

| | Group 2020 | Group 2019 | Company 2020 | Restated Company 2019 |
|---|---------------|---------------|-----------------|-----------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Trade Debtors | 2,755 | 2,002 | 2,571 | 1,886 |
| Amounts owed by subsidiary undertakings | - | - | 1,261 | 1,016 |
| Other debtors | 336 | 334 | 265 | 224 |
| Related Party Debtor | 357 | 342 | 357 | 342 |
| Monies due from HM Revenue & Customs | 632 | 1,349 | 21 | 277 |
| Prepayments | 628 | 974 | 536 | 886 |
| Accrued income | 502 | 242 | 454 | 233 |
| Legacy Debtor | - | 25 | - | 25 |
| | 5,210 | 5,268 | 5,465 | 4,889 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

16. Stock

| Group and Company | 2020 | 2019 |
|--------------------------|------------|------------|
| | £' 000 | £' 000 |
| Food and cleaning stocks | 173 | 105 |
| | 173 | 105 |

Stocks represent unused and unsold food and cleaning stocks at the 31 March 2020.

17. Creditors – Amounts falling due within one year

| | Group 2020 | Group 2019 | Company 2020 | Restated Company 2019 |
|---|---------------|---------------|-----------------|-----------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Barclays loan facility | 250 | 1,000 | 250 | 1,000 |
| Amounts owed to subsidiary undertakings | - | - | 3,580 | - |
| Trade creditors | 4,729 | 3,343 | 2,862 | 2,909 |
| Other creditors | 3,509 | 2,083 | 1,750 | 2,029 |
| Taxation and social security | 645 | 650 | 638 | 615 |
| Accruals | 1,648 | 3,476 | 1,593 | 3,306 |
| Deferred Income (note 18) | 1,136 | 225 | 1,124 | 212 |
| Advance funds from the Otto Schiff Housing Asc. | 71 | 161 | 71 | 161 |
| | 11,988 | 10,938 | 11,868 | 10,232 |

Some of the net amounts owed from/to subsidiaries to the Company relates to the intercompany balance with Community Trading Limited at £2,402k (owed to).

18. Deferred Income

| | Group | Company |
|--|--------------|--------------|
| | £' 000 | £' 000 |
| Balance at 1 April 2019 | 225 | 212 |
| Amount added to income earned from charitable activities | 1,000 | 1,000 |
| Amount released from charitable activities | (89) | (88) |
| Balance at the 31 March 2020 | 1,136 | 1,124 |

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

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

19. Financial Instruments

| | Group 2020 | Group 2019 | Company 2020 | Restated Company 2019 |
|---|---------------|---------------|-----------------|-----------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Financial assets measured at fair value | 22,676 | 25,439 | 22,936 | 25,541 |
| Financial assets measured at initial recognition | 14,148 | 10,860 | 10,404 | 7,097 |
| Financial liabilities measured at initial recognition | 28,683 | 18,609 | 23,431 | 18,085 |

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.

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

| | Group 2020 | Group 2019 | Company 2020 | Company 2019 |
|------------------------|---------------|---------------|-----------------|-----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Barclays loan facility | 17,932 | 11,532 | 17,932 | 11,532 |
| | 17,932 | 11,532 | 17,932 | 11,532 |

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 the 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 2020 was £3,232k. As part of the Covid-19 response, we have negotiated a loan capital repayment holiday of 12 months with Barclays, this allows us to postpone capital repayments of £1m for one year. In February 2019, Jewish Care also arranged a joint facility of £21.3m with Barclays PLC for the development of the Sandringham Care Campus at Stanmore (£13m - bridging facility) and Wohl Court, Retirement Living at Hendon (£8.3m - long term borrowing). The balance outstanding on this joint facility at the 31 March 2020 was £14.9m. The £21.3m joint facility is secured on the freehold of both sites at Stanmore and Hendon.

21. Result of the Charitable Company

As permitted by Section 408 of the Companies Act 2006, the parent undertaking's income and expenditure account has not been included in these financial statements. The net deficit for the year attributable to Jewish Care, including capital receipts but excluding unrealised gains and losses on investments and the unrealised pension scheme gain is £0.343m (2018/19 net surplus of £7.022m).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

22. Endowment Funds 2020

The funds below represent the value of the endowments at the 31 March 2020 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 2019 | Income | Expenditure | Transfers/ Gain/loss | 31 March 2020 |
|------------------------------------|---------------|----------|--------------|-------------------------|------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Maurice and Samuel Lyon Home | 654 | - | (26) | - | 628 |
| Joel Emanuel Trust ¹ | 5,944 | - | (110) | (35) | 5,799 |
| Other trusts | 419 | - | (25) | (6) | 388 |
| Maitland Joseph Trust ² | 9,664 | - | - | (7) | 9,657 |
| | 16,681 | - | (161) | (48) | 16,472 |

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 Retirement 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.

22. 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 Retirement 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 2020

23. Restricted Funds – Group 2020

| | 1 April 2019 | Income | Expenditure | Net Gains/ Transfers in/(out) | 31 March 2020 |
|---|--------------|--------------|----------------|-------------------------------------|------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Holocaust Survivors' Centre ¹ | - | 120 | (120) | - | - |
| Michael Sobell Community Centre ¹ | - | 224 | (224) | - | - |
| Kun Mor and George Kiss ¹ | - | 17 | (17) | - | - |
| Vi & John Rubens ¹ | - | 41 | (41) | - | - |
| Sinclair House ² | 3,395 | 115 | (2) | - | 3,508 |
| Special Day Centres | - | 18 | (18) | - | - |
| Stepney Community Centre | - | 17 | (17) | - | - |
| Otto Schiff | - | 39 | (39) | - | - |
| Lady Sarah Cohen House | - | 53 | (53) | - | - |
| Anita Dorfman | - | 192 | (192) | - | - |
| Clore Manor | - | 27 | (27) | - | - |
| Rosetrees | - | 24 | (24) | - | - |
| Disability Arts & Dementia | - | 29 | (29) | - | - |
| JC Direct & Community Support | - | 36 | (36) | - | - |
| Selig Court | - | 8 | (8) | - | - |
| Others ³ | - | 30 | (30) | - | - |
| Sandringham/Wohl Court ⁴ | - | 8,224 | - | (8,224) | - |
| JAMI ⁵ | 12 | 436 | (413) | - | 35 |
| Totals⁶ | 3,407 | 9,650 | (1,290) | (8,224) | 3,543 |

1. The majority of the receipts of donated funds relate to 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 develop the site, £804k of which has 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 in the second phase of 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 (Company) are £3,508k (2018/19: £3,395k) 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 2020

23. Restricted Funds – Group 2019

| | 1 April 2018 | Income | Expenditure | Net Gains/ Transfers in/(out) | 31 March 2019 |
|-------------------------------------|-----------------|---------------|----------------|-------------------------------------|------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Sidney Corob | - | 118 | (118) | - | - |
| Holocaust Survivors' Centre | - | 307 | (307) | - | - |
| Michael Sobell Community Centre | - | 203 | (203) | - | - |
| Hyman Fyne | - | 220 | (220) | - | - |
| Vi & John Rubens | - | 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. The majority of the receipts of donated funds relate to 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 (Company) 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 2020

24. Summary of Funds 2020

Group

| | Brought forward 1 April 2019 | Income | Expenditure | Gain/losses | Transfers in/(out) | Carried forward 31 March 2020 |
|--------------------|---------------------------------|---------------|-----------------|--------------|-----------------------|----------------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Unrestricted funds | 125,285 | 52,383 | (60,937) | (901) | 8,224 | 124,054 |
| Pension fund | (14,620) | - | 1,032 | 2,999 | - | (10,589) |
| Restricted funds | 3,407 | 9,650 | (1,290) | - | (8,224) | 3,543 |
| Endowment funds | 16,681 | - | (161) | (48) | - | 16,472 |
| Total Funds | 130,753 | 62,033 | (61,356) | 2,050 | - | 133,480 |

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

Summary of Funds 2019

Group

| | Brought forward 1 April 2018 | Income | Expenditure | Gain/losses | Transfers in/(out) | Carried forward 31 March 2019 |
|--------------------|---------------------------------|---------------|-----------------|--------------|-----------------------|----------------------------------|
| | £' 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 2020

Company

| | Restated Brought forward 1 April 2019 | Income | Expenditure | Gain/losses | Transfers in/(out) | Carried forward 31 March 2020 |
|--------------------|---|---------------|-----------------|--------------|-----------------------|----------------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Unrestricted funds | 123,597 | 50,290 | (58,876) | (901) | 8,224 | 122,334 |
| Pension fund | (14,620) | - | 1,032 | 2,999 | - | (10,589) |
| Restricted funds | 3,396 | 9,214 | (878) | - | (8,224) | 3,508 |
| Endowment funds | 16,681 | - | (168) | (41) | - | 16,472 |
| Total Funds | 129,054 | 59,504 | (58,890) | 2,057 | - | 131,725 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

24. Summary of Funds (cont'd)

Summary of Funds 2019 (Restated)

Company

| | Brought forward 1 April 2018 | Income | Expenditure | Gain/losses | Transfers in/(out) | Carried forward 31 March 2019 |
|--------------------|---------------------------------|---------------|-----------------|--------------|-----------------------|----------------------------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Unrestricted funds | 117,928 | 49,045 | (52,474) | 1,295 | 7,803 | 123,597 |
| Pension funds | (15,746) | - | 790 | 336 | - | (14,620) |
| Restricted funds | 3,353 | 9,951 | (2,105) | - | (7,803) | 3,396 |
| Endowment funds | 16,434 | 166 | (83) | 164 | - | 16,681 |
| Total Funds | 121,969 | 59,162 | (53,872) | 1,795 | - | 129,054 |

25. Analysis of Group Net Assets Between Funds 2020

| | Endowment funds | Restricted funds | Designated funds | General funds | Pension funds | Total funds |
|---|--------------------|---------------------|---------------------|------------------|------------------|----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Fund Balances at 31 March 2020 | | | | | | |
| Tangible fixed assets | 14,286 | 805 | 118,638 | - | - | 133,729 |
| Intangible fixed assets | - | - | 842 | - | - | 842 |
| Investments | 2,072 | - | - | 25,679 | - | 27,751 |
| Current assets | 114 | 2,738 | - | 12,442 | - | 15,294 |
| Liabilities | - | - | (17,932) | (15,615) | - | (33,547) |
| Pension scheme liability | - | - | - | - | (10,589) | (10,589) |
| Total Net Assets | 16,472 | 3,543 | 101,548 | 22,506 | (10,589) | 133,480 |

Designated funds represent the net book value of Jewish Care's unrestricted tangible and intangible fixed assets £119,480k, designated cash the Barclays facilities of (£17,932k).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

25. 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 | 112,625 | - | - | 127,809 |
| Intangible fixed assets | - | - | 994 | - | - | 994 |
| 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 and intangible fixed assets £113,619k, designated cash the Barclays facilities of (£12,532k).

Analysis of Company Net Assets Between Funds 2020

| | Endowment funds | Restricted funds | Designated funds | General funds | Pension funds | Total funds |
|---|--------------------|---------------------|---------------------|------------------|------------------|----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 | £' 000 |
| Fund Balances at 31 March 2020 | | | | | | |
| Tangible fixed assets | 14,285 | 805 | 117,950 | 714 | - | 133,754 |
| Intangible fixed assets | - | - | 842 | - | - | 842 |
| Investments | 2,072 | - | 9 | 25,927 | - | 28,008 |
| Current assets | 115 | 2,703 | - | 6,692 | - | 9,510 |
| Liabilities | - | - | (17,932) | (11,868) | - | (29,800) |
| Pension scheme liability | - | - | - | - | (10,589) | (10,589) |
| Total Net Assets | 16,472 | 3,508 | 100,869 | 21,465 | (10,589) | 131,725 |

Designated funds represent the net book value of Jewish Care's unrestricted tangible and intangible fixed assets £118,792k, investments of £9k and the Barclays facilities of (£17,932k).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

25. Summary of Funds (cont'd)

Analysis of Company Net Assets Between Funds 2019 (Restated)

| | 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 | 111,640 | 743 | - | 127,567 |
| Intangible fixed assets | - | - | 994 | - | - | 994 |
| Investments | 2,121 | - | 9 | 27,462 | - | 29,592 |
| Current assets | 138 | 2,634 | - | 4,513 | - | 7,285 |
| Liabilities | - | - | (12,532) | (9,232) | - | (21,764) |
| Pension scheme liability | - | - | - | - | (14,620) | (14,620) |
| Total Net Assets | 16,681 | 3,396 | 100,111 | 23,486 | (14,620) | 129,054 |

Designated funds represent the net book value of Jewish Care's unrestricted tangible and intangible fixed assets £112,634k, investments of £9k and the Barclays facilities of (£12,532k).

26. Fair Value 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) (2018/19 a negative (£33k)) the balance of the revaluation reserve relates to investments. This note is for information only, a fair value reserve is not held separately.

| | 2020 £' 000 | 2019 £' 000 |
|----------------------------------|----------------|----------------|
| Unrestricted reserves | 5,262 | 6,258 |
| Endowment reserves | 392 | 544 |
| Total revaluation reserve | 5,654 | 6,802 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

27. Notes to the Statement of Cash Flow

Reconciliation of net income to net cash outflow from operating activities

| | 2020 | 2019 |
|--|--------------|--------------|
| | £' 000 | £' 000 |
| Net income for the year | 677 | 5,160 |
| Adjustments for: | | |
| Depreciation and amortisation charges | 3,664 | 2,984 |
| Bad Debt Write Off | 94 | - |
| Asset write off | 520 | - |
| Profit on disposal of Property | (485) | (65) |
| Gift of Property – Investment Asset | 59 | (1,288) |
| Increase in creditors within one year | 1,050 | 1,429 |
| Adjustment for pension funding | (606) | (790) |
| (Increase)/decrease in debtors & stock | (10) | 736 |
| Net dividends, interest and returns on investments | (827) | (943) |
| Net cash provided by operating activities | 4,136 | 7,223 |

Analysis of changes in cash during the year

| | £' 000 | £' 000 |
|--------------------|--------------|--------------|
| At 1 April | 4,332 | 14,486 |
| Net cash inflow | 1,952 | (10,154) |
| At 31 March | 6,284 | 4,332 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

27. Notes to the Statement of Cash Flow (cont'd)

Analysis of change in net debt for the year

| | At 1 April 2019 | Cashflow | At 31 March 2020 |
|--------------------------|--------------------|----------|---------------------|
| | £' 000 | £' 000 | £' 000 |
| Cash at bank and on hand | 4,332 | 1,952 | 6,284 |
| Barclays loan | (12,532) | (5,650) | (18,182) |
| | (8,200) | (3,698) | (11,898) |

Analysis of cash and cash equivalents

| | 2020 £' 000 | 2019 £' 000 |
|--|----------------|----------------|
| Cash in Hand | 5,831 | 3,882 |
| Notice deposits (less than 3 months) | 453 | 450 |
| Total cash and cash equivalents | 6,284 | 4,332 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

28. 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 being paid in the year ended 31 March 2020, (2018/19: £2.8m). Pension liabilities at the 31 March 2020 were £307,699 due to timing (2018/19: £293,013). The second scheme 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 2019 by Barnet Waddingham. 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 of the funding position in the future. In agreement with the Pension Trustees, the contributions to the scheme from Jewish Care continued at an annual payment of £1.6m from April 2020 (£1.5m April 2019). As part of the Covid-19 financial mitigation, Jewish Care negotiated a 3-month suspension of defined benefit contributions and also a 50% reduction in those contributions on the recommencement of the payments in July 2020 until March 2022 in agreement with the directors of the Jewish Care Pension Trustee.

The cash contribution made by the employers over the financial year in respect of the scheme was £1,638,000 (2018/19: £1,586,000). The charge to the accounts under FRS102 was £606,000 (2018/19: £796,000). The contribution rate made by the Company as a percentage of pensionable salary was 4% (2018/19: 4%).

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

| | 2020 | 2019 |
|---|---|---|
| Discount rate | 2.35% p.a. | 2.40% p.a. |
| Retail price index (RPI) inflation | 2.95% p.a. | 3.50% p.a. |
| Consumer price index (CPI) inflation | 1.95% p.a. | 2.50% p.a. |
| Pension increases | | |
| RPI max 5% | 2.85% p.a. | 3.35% p.a. |
| RPI max 2.5% | 2.15% p.a. | 2.30% p.a. |
| CPI max 3% | 1.70% 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 2020

28. Pensions (cont'd)

| Life expectancy at age 65 Mortality assumption | 31 March 2020 Years | 31 March 2019 Years |
|---|--------------------------------|--------------------------------|
| Male currently aged 45 | 23.7 | 23.6 |
| Female currently aged 45 | 26.2 | 25.7 |
| Male currently aged 65 | 22.4 | 22.2 |
| Female currently aged 65 | 24.8 | 24.2 |

| Amounts recognised in the Balance Sheet | Value at 31 March 2020 £' 000 | Value at 31 March 2019 £' 000 |
|--|--|--|
| Fair value of assets | 54,027 | 52,338 |
| Present value of funded obligations | (64,616) | (66,958) |
| (Deficit) | (10,589) | (14,620) |

| Amounts recognised in the Statement of Financial Activities over the year | 31 March 2020 £' 000 | 31 March 2019 £' 000 |
|--|---------------------------------|---------------------------------|
| Current service cost | - | - |
| Administration costs | 271 | 262 |
| Interest on liabilities | 1,582 | 1,712 |
| Interest in assets | (1,247) | (1,312) |
| Past service cost | - | 134 |
| Total | 606 | 796 |

| Re-measurements over the year | 31 March 2020 £' 000 | 31 March 2019 £' 000 |
|--|---------------------------------|---------------------------------|
| (Gain) on scheme assets in excess of interest | (1,176) | (2,679) |
| Experience loss/(gain) on liabilities | 635 | (279) |
| Loss from changes to demographic assumptions | 1,156 | - |
| (Gains)/Losses from changes to financial assumptions | (3,614) | 2,622 |
| Total re-measurements (gain)/loss | (2,999) | (336) |

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Notes to the Accounts for the year ended 31 March 2020

28. Pensions (cont'd)

Reconciliation of assets and Defined Benefit Obligation

| The change in the assets over the period was: | 31 March 2020 | 31 March 2019 |
|--|----------------------|----------------------|
| | £' 000 | £' 000 |
| Fair value of assets at the beginning of the period | 52,338 | 50,685 |
| Interest on assets | 1,247 | 1,312 |
| Employer contributions | 1,638 | 1,586 |
| Benefits paid | (2,101) | (3,662) |
| Administration Costs | (271) | (262) |
| Return on plan assets less interest | 1,176 | 2,679 |
| Fair value of assets at the end of the period | 54,027 | 52,338 |

| Analysis of scheme assets | 31 March 2020 | 31 March 2019 |
|------------------------------------|----------------------|----------------------|
| | £' 000 | £' 000 |
| Equities | 11,387 | 12,140 |
| Credit funds | 25,402 | 26,346 |
| Liability driven investments (LDI) | 14,290 | 13,239 |
| Annuity policies | 361 | 347 |
| Cash and net current assets | 2,587 | 266 |
| | 54,027 | 52,338 |

| The change in the liabilities over the period was: | 31 March 2020 | 31 March 2019 |
|--|----------------------|----------------------|
| | £' 000 | £' 000 |
| Defined Benefit Obligation at the beginning of the period | 66,958 | 66,431 |
| Past service cost | - | 134 |
| Interest cost | 1,582 | 1,712 |
| Benefits paid | (2,101) | (3,662) |
| Experience loss/(gain) on defined benefit obligation | 635 | (279) |
| Changes to demographic assumptions | 1,156 | - |
| Changes to financial assumptions | (3,614) | 2,622 |
| Defined Benefit Obligation at the end of the period | 64,616 | 66,958 |

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

29. Commitments under operating leases

Group - Payments

The groups future minimum operating lease payments are as follows:

| | 2020 | 2019 |
|----------------------------|--------|--------|
| | £' 000 | £' 000 |
| Within one year | 318 | 573 |
| Between one and five years | 960 | 954 |
| Over five years | 2,907 | 3,121 |

Company - Payments

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

| | 2020 | 2019 |
|----------------------------|--------|--------|
| | £' 000 | £' 000 |
| Within one year | 114 | 366 |
| Between one and five years | 142 | 123 |

30. Contingent Assets

At 31 March 2020, 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.

31. Capital Commitments

In July 2017, Community Trading Limited entered into a capital commitment to develop the care campus, Sandringham at Stanmore. The unexpired amount of the capital commitment at the 31 March 2020 is £9.1m (amount committed at the 31 March 2019 £15.7m).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

32. Related Party Transactions

In 2020 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 (CTL) in the amount of £841,393 (2018/19: £704,688) to Jewish Care. At the 31 March 2020 there were amounts owed by Community Trading Limited of £1,224,882 (2018/19: owed to £979,889). Jewish Care finances the development activities of Community Trading Limited via capital donations and a commercial loan facility in its name. Monies advanced by Jewish Care to CTL to fund the construction activities in the year ended 31 March 2020 were £6,123,368 (2018/19 £26,469,723) in tandem the capitalised value of work in progress construction work is transferred to Jewish Care £6,151,987 (2018/19 £25,845,348) with £3,627,126 eliminated on consolidation. The £3,627,126 is owed to Community Trading Limited at the 31 March 2020 (2018/19 £NIL).

Joel Emanuel Trust (JET) (Linked Charity):

Jewish Care operates Sidney Corob House on behalf of the Joel Emanuel Trust. At the 31 March 2020 there were amounts owed to the Joel Emanuel Trust of £290,616 (2018/19 owed to the Joel Emanuel Trust £322,177). Jewish Care operates Sidney Corob House and the Wohl Court Retirement Living scheme on behalf of the Joel Emanuel Trust, the nature of transfers to and from JET relate to operational income received and charges incurred by Jewish Care on behalf of JET. Respective operational charges of £1,444,377 (2018/19 £1,287,964), operational income of £1,459,317 (2018/19 £1,480,803) and £13,474 (2018/19 £84,624) in balance sheet movements were transferred to the JET entity for Sidney Corob in the year. Respective operational charges of £145,430 (2018/19: £64,525) and operational income of £205,404 (2018/19: £11,227) were transferred to the JET entity for Wohl Court in the year ended 31 March 2020.

JC Switzerland Foundation (Common Trustee):

JC Switzerland is an independent foundation. At the 31 March 2020 there were amounts owed to Jewish Care of £36,483 (2018/19 £36,483).

Jewish Association for Mental Illness (JAMI) (Subsidiary):

The transfer of grant funding to the Jewish Association for Mental Illness in the amount of £765,257 (2018/19: £765,257). At the 31 March 2020 there was an amount due to Jewish Care of £46,663 from the Jewish Association for Mental Illness (2018/19: owed to Jewish Care £1,311). Charges of £47,974 have been applied by Jewish Care to JAMI for property and IT costs in the year ended 31 March 2020 (2018/19 £60,469).

Jewish Care Staff Benevolent Association (Related Party)

The Jewish Care Staff Benevolent Association is a separate Charity with registration number 220470. Members of the Association are Jewish Care staff members, the aim of the Charity is to grant relief and assistance to Jewish Care staff. Loans are advanced by an independent loans committee and repaid via repayments mandated to salaries. The related party balance with Jewish Care at the 31 March 2020 is £356,918 (2018/19:£342,069)

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

32. Related Party Transactions (cont'd)

Voluntary Trustee Disclosures cont'd

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 £105,000 (2018/19: £12,000) and Raymond Harris is a Trustee of the Atkin Foundation, amount received £50,000 (2018/19: £50,000).

Steven Lewis, former Trustee and now appointed President of Jewish Care is a Director of Jewish Community Foundation, Jewish Family Services, Stepney B'nai B'rith Clubs and Settlement and The Friends of the London Jewish Hospital, these are all dormant subsidiaries of Jewish Care.

Steven Lewis is also a Trustee of the Jewish Leadership Council, an independent membership organisation of which Jewish Care paid an annual membership fee of £28,578 for the year ended 31 March 2020 (2018/19: £27,578).

Adam Dawson, Trustee is also the Chair and Trustee of the Jewish Association for Mental Illness, JAMI (subsidiary). JAMI is in receipt of a grant £765,257 from Jewish Care for the year ended 31 March 2020 (2018/19: £765,257).

Graham Edwards, Trustee is also a Director of Castle Water Limited, Jewish Care uses Castle Water as a supplier in the normal course of business and paid £93,714 for utilities in the year ended 31 March 2020 (2018/19: £58,636).

Douglas Krikler, former Trustee was the former Chair and Trustee of the Jewish Association for Mental Illness, JAMI (subsidiary). JAMI is in receipt of a grant £765,257 from Jewish Care for the year ended 31 March 2020 (2018/19: £765,257).

Harold Gittlemon, Trustee is also a Trustee and Vice Chair of Camp Simcha. Camp Simcha rents office space from Jewish Care on an arms length basis, rent received in the normal course of business is £45,409 in the year ended 31 March 2020 (2018/19 £45,409).

Stuart Roden, former Trustee is also a Trustee of the Foundation for Jewish Heritage, Jewish Care paid £1,340 for yoga and heritage workshops in the normal course of business in the year ended 31 March 2020 (2018/19: £NIL).

Matthew Weiner, Trustee is also a Director of the trading subsidiary Community Trading Limited.

Michael Brodtman, Trustee is also a Director of the trading subsidiary Community Trading Limited.

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 £356k (2018/19: £485k).

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

33. Post Balance Sheet Events

Covid 19 has continued to cause a severe financial impact on the organisation after the year end with reduced income and increased costs, we expect to make a deficit for the year ended 31 March 2021. In light of this the Executive Leadership Team embarked on a number of reset projects across the organisation after the year end.

- We closed Clore Manor, one of our older residential care homes, transferred all of the residents to the newer homes of their choice across the estate and made the staff redundant, this process completed in September 2020.
- A significant restructuring programme also took place in our Day and Community Centres with their continued closure, a number of staff were made redundant with this process completing in January 2021.
- A restructuring programme of our support services also completed in March 2021 with a number of redundancies made across all support departments.
- We released £2.5m of reserves from our investment portfolio in September 2020 primarily to cover lost income from operations.
- A planned property sale has also completed as at the date of accounts signing.

The pandemic is ongoing and it is not possible to reasonably estimate its duration and impact on the financial position on the organisation or future periods, as such it is deemed a non-adjusting event in these financial statements.

34. Prior Period Adjustment

Following a review of the related party balance accounts of Jewish Care the Trustees have considered the previous accounting treatment of excluding the linked charities from the charity only numbers to be incorrect. SORP FRS102 Para. 25.12 states that branch accounting should be adopted for charities linked by the Charity Commission, that are not subsidiaries, associates or joint ventures.

As set out in Note 14 to these financial statements, Jewish Care operates with a number of linked charities, which had previously been excluded from the charity only accounts and consolidated as a part of the group accounts. The trustees have concluded in line with the SORP requirements that the linked charities, except where they are incorporated and have a separate legal personality, represent branches of Jewish Care. The trustees consider the effect of this error to be material and in accordance with FRS102 Section 10 'Accounting policies, estimates and errors' a retrospective adjustment has been recognised to correct the error.

In order to show a true and fair view an adjustment has been processed retrospectively in these financial statements to reclassify the activities and funds of the linked charities on a line by line basis in the charity only activities and funds of Jewish Care. The impact of this adjustment is an increase in charity only unrestricted funds of £4,523k and endowment funds of £7,016k as at 31 March 2019. The impact of this on the assets and liabilities was an increase in tangible fixed assets of £5,804k, an increase in investments of £1,955k, decrease in debtors of £2,961k, an increase in cash of £140k and a decrease in creditors of £6,611k.

The net impact of this adjustment on the charity only surplus for the year ended 31 March 2019 was a reduction of £78k. The impact on the opening balance sheet was £11,597k made up of an increase in charity only unrestricted funds of £4,806k and endowment funds of £6,791k.

JEWISH CARE

Notes to the Accounts for the year ended 31 March 2020

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

| Notes | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds |
|---|-----------------------|---------------------|--------------------|----------------|
| | £' 000 | £' 000 | £' 000 | £' 000 |
| Income and endowments from: | | | | |
| Donations and legacies | 16,097 | 2,742 | - | 18,839 |
| Capital project donations | 177 | 7,803 | - | 7,980 |
| Charitable activities | 33,305 | - | 2 | 33,307 |
| Other trading entities | 155 | - | - | 155 |
| Investments | 1,145 | - | - | 1,145 |
| Disposal of Property | 65 | - | - | 65 |
| Total | 50,944 | 10,545 | 2 | 61,491 |
| Expenditure on: | | | | |
| Raising funds: | | | | |
| <i>Fundraising</i> | 3,506 | - | - | 3,506 |
| <i>Investment fees</i> | 185 | - | - | 185 |
| Charitable activities | 49,814 | 2,710 | 83 | 52,607 |
| Other expenditure | 33 | - | - | 33 |
| Total | 53,538 | 2,710 | 83 | 56,331 |
| Net gains on investments | 1,462 | - | 164 | 1,626 |
| Net income | (1,132) | 7,835 | 83 | 6,786 |
| Transfer between funds | 7,639 | (7,803) | 164 | - |
| Actuarial (loss) on defined benefit pension schemes | 336 | - | - | 336 |
| Net movement in funds | 6,843 | 32 | 247 | 7,122 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | 103,822 | 3,375 | 16,434 | 123,631 |
| Total funds carried forward | 110,665 | 3,407 | 16,681 | 130,753 |