

The Northwest Clubhouse
Financial Statements
For the year ended
31 March 2006

Company Registration Number 04251193
Charity Number 1097081

**The Northwest Clubhouse
(A Company Limited By Guarantee)**

Financial Statements

Year ended 31 March 2006

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The Northwest Clubhouse (A Company Limited By Guarantee)

Members of the Board and Professional Advisers Company Information

Registered Charity Name	The Northwest Clubhouse
Charity Number	1097081
Company Registration Number	04251193
Registered Office	Fordgate House 1 Allsop Place London NW1 5LF
Trustees	Rabbi Simon Winegarten Abraham Dunner Michael Wechsler
Secretary	Michael Wechsler
Auditor	Landau Morley Chartered Accountants & Registered Auditors Lanmor House 370/386 High Road Wembley Middlesex HA9 6AX
Bankers	National Westminster Bank Plc 95 Church Road London NW4 4DL

The Northwest Clubhouse (A Company Limited By Guarantee)

Trustees Annual Report

Year ended 31 March 2006

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2006.

Reference and Administrative Details

Reference and administrative details are shown in the schedule of members of the board and professional advisers company information on page 1 of the financial statements.

The trustees

The trustees who served the charity company during the period were as follows:

Rabbi Simon Winegarten
David Chontow
Abraham Dunner
Michael Wechsler

Michael Wechsler was appointed as a trustee on 24 July 2005.
David Chontow retired as a trustee on 24 July 2005.

Structure, Governance and Management

The trustees are aware of and attuned to the governance requirements of our charity. We have robust procedures to allow flexibility within established and professional operating procedures. CRB checks, risk assessments, contracts of employment, equal opportunities, child protection, health and safety issues, insurance matters and financial controls were all reviewed and amended, where necessary, to meet current government policy.

Our financial controls have been strengthened through the employment of an in house accountant. We aim to maintain reserves sufficient for one month's operating costs. From 1 April 2006, full cost centre analysis will be adopted as standard procedure for all projects undertaken. Best value reviews will be undertaken on an annual basis.

We have attained PQASSO (Practical Quality Assurance System for Small organisations) Level 1 accreditation, Approved Provider Status (APS) from the Mentoring and Befriending Foundation for its volunteer mentoring project, reached Connexions Due Diligence criteria, are a National Institute for Clinical Excellence (NICE) stakeholder and are looking at other quality systems such as Hear by Right.

Whilst we are working hard to increase funding from statutory and private sources in the general community, we are still heavily dependent upon support from the Charity community for a growing group that is marginalised and at risk.

Staffing

Our employment protocols cover recruitment, selection, retention, pay and benefits, training and development and equality.

We currently employ 13 full time staff, 22 part time staff and are supported by 3 part time volunteers. We also engage regularly 9 therapists, counsellors, mentors and teachers to help with our programmes. All staff are trained to deal with young people at risk. They have achieved an array of qualifications including graduate and post graduate degrees and UKIP accreditation. One person holds a Diploma as a Connexions Personal Advisor. Staff are vetted in accordance with CRB regulations. Staff turnover is 7.5 per cent.

The Northwest Clubhouse (A Company Limited By Guarantee)

Trustees Annual Report *(continued)*

Year ended 31 March 2006

Training

We consider staff and management training of vital importance for the development of the charity, our employees and volunteers who help us. Several staff are being supported in their professional and career development, making them greater assets to our charity and to our community. With the guidance of CAHRO all senior staff have received accredited training in computer skills. We held a three day inset, in Tetbury, in January 2006. Our employees are familiar with the provisions of The Children's Act 2004 and the impact of Every Child Matters.

Partnerships, networks and multi-agency support

We adopt a multi-agency approach, working with dyslexia and dyspraxia units, educational psychologists, psychiatrists, family therapists, and youth services and all appropriate youth movements to create initially stability and then to effect positive change. We believe that an important part of helping young people is to know how to communicate with them. Every professional involved is aware of and respects the cultural challenges and specific educational needs of orthodox Jewish children. Whilst we look at the individual to determine his or her own specific needs and desires, we do not demand that they conform to a determined level of religious observance, although they are asked to be respectful of our ethos when working, learning or living on site.

We work closely with charities such as Norwood, which offer short-term counselling support to young people at school, but are unable to provide help on a long-term basis. Through Big Lottery support we are establishing and working collaboratively with programmes such as Kol Bonayich in Stamford Hill. We work closely with schools, welfare organisations, other voluntary organisations and governmental bodies by providing a quality and cost-effective service that would otherwise not exist. We ensure that appropriate, client-centred, cross-referral mechanisms are in place, guaranteeing that each individual client's needs are met, at all times, through available, timely and suitable help.

As an organisation and at an individual level, we are active participants and members of House of Commons consultative groups on young people; International fora such as Nefesh (Children in crisis conference); Local Authority Partnership Boards including the Children's Workforce Strategy Group; Connexions partnerships in Barnet and in Haringey, Barnet Voluntary Community Services Children committees; the Mentoring and Befriending Foundation and other bodies.

With the expansion of our work in Israel, we have developed a number of links with vocational training providers, adding to the good links that we have with yeshivas and seminaries.

Objectives and Activities

The Company aims to benefit young people who live in Greater London or elsewhere, and in particular those inhabitants who are Jewish. Its activities comprise: the relief of poverty; the advancement of education; the advancement of religion and the provision of recreational facilities in the interest of social welfare, with the objective of improving the lives of its target group.

The Northwest Clubhouse (A Company Limited By Guarantee)

Trustees Annual Report *(continued)*

Year ended 31 March 2006

Achievements and Performance

The year ended 31 March 2006 has been one of continuing change for The Clubhouse. The Clubhouse has expanded substantially its work in the preventative arena whilst maintaining high levels of client service for young people, from the Jewish community, who are excluded or at risk. This year, more than any other, has seen us reach our own stated objective of creating holistic, social and educational solutions that work for the young person in need.

We pride ourselves in the comprehensive range of support that we are able to offer our clients; all of which could be regarded as separate charitable provision in their own right. This methodology enables us to help many more people, using greater proportions of funder support, on client needs rather than overhead costs.

Perhaps the most significant change is that of our work in the Jewish community. The Clubhouse is no longer perceived as a charity that deals with the apocryphal "bad kids", but as a quality organisation that helps young people move forward in their lives.

Programmes

We have developed our School Inclusion Programme, which offers mentoring and counselling to pupils at school, helping them to remain and where possible thrive in the school environment. To address school drop out, early leaving and redress the growing problem of young people falling into NEET (not in employment, education and training) categories we have created the Community Educational Trust to provide vocational training programmes for pupils at school in the maintained and independent faith sectors. Our Teacher Training Programme, undertaken in partnership with MST, equips teachers with skills on how to recognise and deal with the early warning signs that could put young people on a trail of negativity and failure. It will equally train them to recognise the positives and how to enhance and build on them.

Alongside the above, we offer discrete support to teenagers through programmes such as our GAP Project (Girls Action Programme) and off site work through detached youth workers, counsellors and mentors.

We have reframed and restructured our School Exclusion Programme to become the Clubhouse Learning Centre. We believe in including people in society and learning; not marginalizing them and placing them on the fringe of society. Whilst the issues that have led to exclusion are not ignored, our clients are encouraged and enabled to join in mainstream activities, leading to reintegration into society and entry into the world of work.

The Boys' Clubhouse and The Girls' Clubhouse continue to provide support for some of the most vulnerable and at risk teenagers and young people in the Jewish community, addressing issues of homelessness, substance abuse, unemployment and the emotional turmoil of not feeling part of civic society. We help our clients make effective changes in their lives, giving them support where needed, through our Benefits Advice Service and Business Advice Programme. Our Israel Programmes also help these young people move on in their lives, offering them educational and spiritual growth and in some cases vocational training within society norms. Our Married Couples Programme supports young newlyweds who are often in their late teens and early 20s, as they make emotional and relationship changes in their lives.

Our Jewish Parenting Network provides advice and guidance to parents who want to improve their effectiveness in helping their children in today's society. Our Parents' Support Service works with parents who have more critical issues that affect them and their families. Parents with positive outlooks on themselves are much better at transmitting positive attitudes to their children.

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Trustees Annual Report *(continued)*

Year ended 31 March 2006

Scale of need

The Jewish Community in the United Kingdom numbers 267,000 people, of which some 180,000 people are affiliated to orthodox synagogue communities, albeit that the individuals may not be orthodox in practice. About a third of this number (60,000) is under 25 years of age. Based on national averages, one in four young Jews, or their parents, (15,000) will face issues that will trouble them. Of this number, 3% (450) will have complex needs necessitating long term support, lasting six months or more. About half this number will have profound learning or physical difficulties, which require other specialist help.

The Clubhouse receives currently some 600 referrals a year. The majority of referrals are handled, quickly and efficiently, through programmes such as our Girls' Action Project (GAP) Programme, School Inclusion Programme and Detached Work with young people in informal settings, which are convenient to them, such as in cafes and subject to protocols, their home.

About 30 per cent of referrals will require intensive long-term guidance and support lasting more than 1 month, with 15 per cent needing support lasting 6 months or more. In addition, we have been working with some 30 new sets of parents, every two months, on a continuing basis through the Jewish Parenting Network and 20 parents with more complex issues in their lives through our Parents' Support Service.

Level of support

We operate 24/7, particularly in our girls' centre, which can offer sheltered accommodation. Staff are available at all times, with each client having at least two contacts, one of whom is a Personal Project Manager.

Public and Charitable support in the year

We would like to acknowledge and thank The London Borough of Barnet, Achisomoch, Childrens' Aid Committee, Victoria Community Centre, The Samuel Sebba Charitable Trust, The Rachel Charitable Trust, Les Freres Charitable Trust, The Solomon Cuby Charitable Trust, The Bluston Charitable Settlement, Mick Davis, Help a London Child, The Roddick Foundation, Connexions and others, too numerous to mention, for their support in the financial year. We have also been awarded a grant (over three years) of £103,663 by the Big Lottery.

Particular mention must be given to the Gertner Charitable Trust for its generous and ongoing support.

Sustainable Funding

Since March 2005, The Clubhouse has also offered consultancy advice to other organisations on a fee-chargeable basis.

Fee based services, particularly in relation to vocational training, are developing into key areas of on-going support.

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Trustees Annual Report *(continued)*

Year ended 31 March 2006

Financial Review

Donations received from all sources amounted to £1,496,218 representing a 27% increase from last year. Funds came in the main from donations and grants as detailed above. During the year £1,506,572 was expended as detailed in notes 3 to 5 of these financial statements.

Reserves Policy

The trustees would like to build up a reserve fund of six months expenditure as and when funds become available.

Plans for Future Periods

In recent years, largely as a result of our efforts, it is accepted that young people need guidance and help in their lives, easing the path from adolescence to adulthood recognition. For most young people the level of intervention needed is minimal. However, what has been proven is that early intervention is far better, more effective and considerably cheaper in terms of resources expended than cure. Our new preventative projects, and especially our Community Educational Trust will ensure that much needed support for those on the margins of our Community is met.

We look forward to the coming year, which we hope will be blessed with success.

Responsibilities of the Trustees

The trustees are responsible for preparing the Trustees Annual Report and the financial statements 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are 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 auditors are aware of that

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Trustees Annual Report *(continued)*

Year ended 31 March 2006

information.

Auditor

A resolution to re-appoint Landau Morley as auditor for the ensuing year will be proposed at the Annual General Meeting.

Signed on behalf of the trustees

Rabbi Simon Winegarten
Director and Trustee

30 January 2007

The Northwest Clubhouse

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Independent Auditor's Report to the Members of The Northwest Clubhouse

Year ended 31 March 2006

We have audited the financial statements of the Northwest Clubhouse for the year ended 31 March 2006 on pages 10 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Trustees and Auditors

The responsibilities of the trustees (who also act as directors of The Northwest Clubhouse for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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**Independent Auditor's Report to the Members of The
Northwest Clubhouse** *(continued)*

Year ended 31 March 2006

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees Annual Report is consistent with the financial statements.

Lanmor House
370/386 High Road
Wembley
Middlesex
HA9 6AX

LANDAU MORLEY
Chartered Accountants
& Registered Auditors

30 January 2007

**The Northwest Clubhouse
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**Statement of Financial Activities (Incorporating the
Income and Expenditure Account)**

Year ended 31 March 2006

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Incoming Resources					
Incoming resources from generating funds:					
Voluntary income	2	1,487,918	8,300	1,496,218	1,179,063
Total Incoming Resources		<u>1,487,918</u>	<u>8,300</u>	<u>1,496,218</u>	<u>1,179,063</u>
Resources Expended					
Charitable activities	3/4	(1,498,980)	–	(1,498,980)	(1,176,803)
Governance costs	5	(7,592)	–	(7,592)	(4,946)
Total Resources Expended		<u>(1,506,572)</u>	<u>–</u>	<u>(1,506,572)</u>	<u>(1,181,749)</u>
Net Outgoing Resources for the Year/Net Expenditure for the Year	7	(18,654)	8,300	(10,354)	(2,686)
Reconciliation of Funds					
Total funds brought forward		<u>53,480</u>	<u>–</u>	<u>53,480</u>	<u>56,166</u>
Total Funds Carried Forward		<u>34,826</u>	<u>8,300</u>	<u>43,126</u>	<u>53,480</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 15 form part of these financial statements.

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Balance Sheet

31 March 2006

	Note	2006 £	£	2005 £	£
Fixed Assets					
Tangible assets	9		3,443		4,558
Current Assets					
Debtors	10	49,149		56,174	
Cash at bank		8,245		–	
		<u>57,394</u>		<u>56,174</u>	
Creditors: Amounts Falling due Within One Year	11	<u>(17,711)</u>		<u>(7,252)</u>	
Net Current Assets			39,683		48,922
Total Assets Less Current Liabilities			<u>43,126</u>		<u>53,480</u>
Net Assets			<u>43,126</u>		<u>53,480</u>
Funds					
Restricted income funds	12		8,300		–
Unrestricted income funds	13		<u>34,826</u>		<u>53,480</u>
Total Funds			<u>43,126</u>		<u>53,480</u>

These financial statements were approved by the members of the committee on the 30 January 2007 and are signed on their behalf by:

Rabbi Simon Winegarten
Director and Trustee

The notes on pages 12 to 15 form part of these financial statements.

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Notes to the Financial Statements

Year ended 31 March 2006

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Cash Flow Statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity company is small.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment - 25% per annum on written down value
Fixtures and Fittings - 10% per annum on written down value

2. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Donations				
Donations	1,487,918	8,300	1,496,218	1,179,063

The restricted income of £8,300 is part of the grant awarded by the Big Lottery (£103,663 receivable over three years).

3. Costs of Charitable Activities By Fund Type

	Unrestricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Grants Paid	438,601	438,601	225,778
Counselling and educational fees	373,104	373,104	287,209
Support costs	687,275	687,275	663,816
	<u>1,498,980</u>	<u>1,498,980</u>	<u>1,176,803</u>

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Notes to the Financial Statements

Year ended 31 March 2006

4. Costs of Charitable Activities By Activity Type

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total Funds 2006 £	Total Funds 2005 £
Grants Paid	–	438,601	610,416	1,049,017	830,824
Counselling and educational fees	373,104	–	59,439	432,543	345,979
Fundraising costs	–	–	17,420	17,420	–
	<u>373,104</u>	<u>438,601</u>	<u>687,275</u>	<u>1,498,980</u>	<u>1,176,803</u>

5. Governance Costs

	Unrestricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Audit fees	5,581	5,581	3,819
Interest payable	–	–	17
Bank Charges	2,011	2,011	1,110
	<u>7,592</u>	<u>7,592</u>	<u>4,946</u>

6. Analysis of Support Costs

	Grants paid £	Counselling and educational fees £	Fundraising costs £	Total 2006 £	Total 2005 £
Staff costs	409,499	28,731	17,420	455,650	385,082
Premises costs	103,501	14,019	–	117,520	127,836
Depreciation	1,114	–	–	1,114	1,462
Other office costs	96,302	16,688	–	112,990	150,546
	<u>610,416</u>	<u>59,438</u>	<u>17,420</u>	<u>687,274</u>	<u>664,926</u>

7. Net Outgoing Resources for the Year

This is stated after charging:

	2006 £	2005 £
Depreciation	1,114	1,481
Auditors' remuneration: - audit of the financial statements	<u>5,581</u>	<u>3,819</u>

8. Staff Costs and Emoluments Particulars of Employees

Total staff costs were as follows:

	2006 £	2005 £
Wages and salaries	413,476	349,647
Social security costs	42,174	35,435
	<u>455,650</u>	<u>385,082</u>

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Notes to the Financial Statements

Year ended 31 March 2006

8. Staff Costs and Emoluments Particulars of Employees *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2006	2005
	No.	No.
Administration	1	1
Charitable work - full time	12	15
Charitable work - part time	<u>22</u>	<u>3</u>
	<u>35</u>	<u>19</u>

No employee received emoluments of more than £60,000 during the year (2005 - Nil).

9. Tangible Fixed Assets

	Equipment	Fixtures & Fittings	Total
	£	£	£
Cost			
At 1 April 2005 and 31 March 2006	<u>11,115</u>	<u>250</u>	<u>11,365</u>
Depreciation			
At 1 April 2005	6,728	80	6,808
Charge for the year	<u>1,097</u>	<u>17</u>	<u>1,114</u>
At 31 March 2006	<u>7,825</u>	<u>97</u>	<u>7,922</u>
Net Book Value			
At 31 March 2006	<u>3,290</u>	<u>153</u>	<u>3,443</u>
At 31 March 2005	<u>4,387</u>	<u>170</u>	<u>4,557</u>

10. Debtors

	2006	2005
	£	£
Other debtors	42,299	42,908
Prepayments	<u>6,850</u>	<u>13,266</u>
	<u>49,149</u>	<u>56,174</u>

11. Creditors: Amounts falling due within one year

	2006	2005
	£	£
Bank loans and overdrafts	-	61
Taxation and social security	13,176	-
Accruals	<u>4,535</u>	<u>7,191</u>
	<u>17,711</u>	<u>7,252</u>

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Notes to the Financial Statements

Year ended 31 March 2006

12. Restricted Income Funds

	Incoming resources £	Balance at 31 Mar 2006 £
Restricted Funds	<u>8,300</u>	<u>8,300</u>

These funds are to be used for projects in North London.

13. Analysis of Net Assets Between Funds

	Tangible fixed assets £	Net current assets/ (liabilities) £	Total £
Restricted Income Funds:			
Restricted Funds	–	8,300	8,300
Unrestricted Income Funds	<u>3,443</u>	<u>31,383</u>	<u>34,826</u>
Total Funds	<u>3,443</u>	<u>39,683</u>	<u>43,126</u>

14. Company Limited By Guarantee

Since the company is limited by guarantee it is under the control of the directors (trustees).