

Company Registration No. 95587 (England and Wales)

**JEWISH CHRONICLE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# JEWISH CHRONICLE LIMITED

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# JEWISH CHRONICLE LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investments	2		1		1
<b>Current assets</b>					
Debtors	3	206,633		81,767	
Cash at bank and in hand		39,141		284,591	
		<u>245,774</u>		<u>366,358</u>	
<b>Net current assets</b>			245,774		366,358
<b>Total assets less current liabilities</b>			245,775		366,359
<b>Creditors: amounts falling due after more than one year</b>	4		(700,000)		-
<b>Provisions for liabilities - net pension obligations</b>					
Escrow account for pension liabilities	5	-		1,134,303	
Defined benefit pension liability	6	-		(2,647,000)	
		<u>-</u>		<u>-</u>	(1,512,697)
<b>Net liabilities</b>			(454,225)		(1,146,338)
<b>Capital and reserves</b>					
Called up share capital	7		191,910		191,910
Capital redemption reserve			95,990		95,990
Profit and loss reserves			(742,125)		(1,434,238)
<b>Total equity</b>			<u>(454,225)</u>		<u>(1,146,338)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**JEWISH CHRONICLE LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 30 JUNE 2019***

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The financial statements were approved by the board of directors and authorised for issue on 14 August 2020 and are signed on its behalf by

R J Harrod  
Director

Company Registration No. 95587

# JEWISH CHRONICLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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### 1 Accounting policies

#### Company information

Jewish Chronicle Limited is a private company limited by shares incorporated in England and Wales. The registered office is 915 High Road, London, N12 8QJ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Jewish Chronicle Limited is a wholly owned subsidiary of The Kessler Foundation and the results of Jewish Chronicle Limited are included in the consolidated financial statements of The Kessler Foundation which are available from the registered office.

# JEWISH CHRONICLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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**1 Accounting policies** **(Continued)**

**1.2 Going concern**

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

A consortium of donors has raised funds which were donated to the parent entity, The Kessler Foundation. These funds have been loaned to the Jewish Chronicle to enable it to continue its activities until it becomes profitable.

Although there can be no certainty as to the outcome of these actions, the directors are confident a satisfactory outcome will be achieved and the group will be able to continue to trade as a going concern. Accordingly the financial statements have been prepared on a going concern basis and no adjustments have been made to the financial statements relating to the recoverability and classification of the assets or the amounts and classification of liabilities that might be necessary should the group not be able to continue as a going concern.

**1.3 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.4 Cash and cash equivalents**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.5 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# JEWISH CHRONICLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.7 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 1.8 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

## JEWISH CHRONICLE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

<b>2</b>	<b>Fixed asset investments</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Investments	1	1
		<u>          </u>	<u>          </u>
	<b>Movements in fixed asset investments</b>		<b>Shares in group undertakings</b>
			<b>£</b>
	<b>Cost or valuation</b>		
	At 1 July 2018 & 30 June 2019		1
			<u>          </u>
	<b>Carrying amount</b>		
	At 30 June 2019		1
			<u>          </u>
	At 30 June 2018		1
			<u>          </u>
<b>3</b>	<b>Debtors</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Other debtors	206,633	81,767
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Other creditors - Loan from parent undertaking	700,000	-
		<u>          </u>	<u>          </u>

During the year, the company entered into a facility agreement with the Kessler Foundation and its subsidiary Jewish Chronicle Newspaper Limited. At the year end, £700,000 had been loaned to the Company by the Kessler Foundation under this facility agreement, along with additional amounts to Jewish Chronicle Newspaper Limited for working capital purposes. The loan is interest bearing and was for a term of 5 years. A fixed and floating charge is held by Kessler Foundation over all property and undertaking of the company.

After the year end, all amounts have been repaid to the Kessler Foundation.

<b>5</b>	<b>Provisions for liabilities</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Escrow account for pension liabilities	-	(1,134,303)
		<u>          </u>	<u>          </u>

This represented cash held on trust within an escrow account under the joint control of the solicitors of the Jewish Chronicle Pension Trustees Limited and the Jewish Chronicle Limited. These funds were transferred to the pension scheme on 31 August 2018.



## JEWISH CHRONICLE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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#### 6 Retirement benefit schemes

##### Defined benefit schemes

The company operated a defined benefit scheme for qualifying employees. Under the scheme the employees were entitled to retirement benefits based on their final salary and length of service on attainment of a retirement age of 65. No other post retirement benefits are provided.

In August 2018, the pension scheme liquidated all its investments and entered into a buy in policy with Scottish Widows, covering the Pension Protection Fund (PPF) equivalent benefits as at 30 September 2018. Scottish Widows is now contractually obliged to provide such benefits.

The sum of around £1.1m held in escrow for the benefit of the scheme, was released to the scheme trustee on 31 August 2018 to enable it to complete the buy in, settle any true-up adjustments and assist with a future full buy out with Scottish Widows.

Winding up of the scheme was effected from 29 September 2018 and is ongoing.

The Trustee granted a period of grace before it would seek to enforce the section 75 debt, to allow the Jewish Chronicle to raise funds to facilitate the full buy out and provide working capital.

A consortium of donors raised funds which was donated to the parent entity, The Kessler Foundation. The Kessler Foundation then loaned the funds to the Jewish Chronicle. A proportion of the funds was paid to the pension scheme and the balance of the Section 75 debt was compromised. The balance of the funds was retained by the Jewish Chronicle as working capital.

A Clearance application was submitted to The Pensions Regulator and clearance was given on 23 May 2019.

	2019	2018
<i>Key assumptions</i>	%	%
Discount rate	-	2.7
Expected rate of increase of pensions in payment	-	3.2
Retail Prices Index	-	3.3
Consumer Prices Index	-	2.3
	==	==
<i>Mortality assumptions</i>	2019	2018
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	-	23
- Females	-	25
	==	==
Retiring in 20 years		
- Males	-	25
- Females	-	27
	==	==

**JEWISH CHRONICLE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

<b>6 Retirement benefit schemes</b>	<b>(Continued)</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<i>Amounts recognised in the profit and loss account</i>		
Net interest on defined benefit liability/(asset)	-	94,000
Other costs and income	-	431,000
	<u>          </u>	<u>          </u>
Total costs	-	525,000
	<u>          </u>	<u>          </u>
<i>Amounts taken to other comprehensive income</i>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Actual return on scheme assets	-	(637,000)
Less: calculated interest element	-	599,000
	<u>          </u>	<u>          </u>
Return on scheme assets excluding interest income	-	(38,000)
Actuarial changes related to obligations	-	(1,236,000)
	<u>          </u>	<u>          </u>
Total costs/(income)	-	(1,274,000)
	<u>          </u>	<u>          </u>
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	-	25,409,000
Fair value of plan assets	-	(22,762,000)
	<u>          </u>	<u>          </u>
Deficit in scheme	-	2,647,000
	<u>          </u>	<u>          </u>
<i>Movements in the present value of defined benefit obligations</i>		
	<b>2019</b>	
	<b>£</b>	
Liabilities at 1 July 2018		(25,409,000)
Liabilities assumed in compromise arrangement		(25,409,000)
		<u>          </u>
At 30 June 2019		-
		<u>          </u>

The defined benefit obligations arise from plans which are wholly or partly funded.

**JEWISH CHRONICLE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

<b>6</b>	<b>Retirement benefit schemes</b>	<b>(Continued)</b>	
		<b>2019</b>	
	<i>Movements in the fair value of plan assets</i>	<b>£</b>	
	Fair value of assets at 1 July 2018	22,762,000	
	Assets utilised for buy in	(22,762,000)	
	At 30 June 2019	<u>-</u>	
	The actual return on plan assets was £- (2018 - £637,000).		
		<b>2019</b>	<b>2018</b>
	<i>Fair value of plan assets at the reporting period end</i>	<b>£</b>	<b>£</b>
	Bonds	-	15,478,160
	Cash	-	7,283,840
		<u>-</u>	<u>22,762,000</u>
		<u>-</u>	<u>22,762,000</u>
<b>7</b>	<b>Called up share capital</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Ordinary share capital</b>		
	<b>Issued and fully paid</b>		
	190,000 Ordinary shares of 1p each	1,900	1,900
	190,010 Non-voting shares of £1 each	190,010	190,010
		<u>191,910</u>	<u>191,910</u>
		<u>191,910</u>	<u>191,910</u>
<b>8</b>	<b>Post balance sheet events</b>		

Jewish Chronicle Limited's subsidiary Jewish Chronicle newspaper Limited is currently in the process of liquidation. Post year end the the £700,000 loan due back to The Kessler Foundation was repaid by NCJ Realisation Limited (formerly Jewish Chronicle Newspaper Limited) under the charge created on 21 June 2019.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.