

Charity Registration No. 1117590

Company Registration No. 05890261 (England and Wales)

MASORTI JUDAISM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

MASORTI JUDAISM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Simon Samuels (Co-chair)	(Appointed 1 September 2017)
	Shirley Fenster (Co-chair)	
	Paul Collin	(Appointed 26 September 2017)
	Miri Benchetrit	(Appointed 26 September 2017)
	James Burns	
	Leonie Fleischmann	(Appointed 26 September 2017)
	Laurence Harris	(Appointed 26 September 2017)
	Bruce Rigal*	
	Ben Russell	(Appointed 26 September 2017)

* (Resigned April 2017 -
Reappointed 26 September 2017)

Secretary Matthew Plen

Charity number 1117590

Company number 05890261

Auditor H W Fisher & Company
Acre House
11-15 William Road
London
United Kingdom
NW1 3ER

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Barclays Bank PLC
126 Station Road
Edgware
Middlesex
HA8 7RY

MASORTI JUDAISM

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MASORTI JUDAISM
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (INCORPORATING DIRECTORS' REPORT)
FOR THE PERIOD ENDED DATE 31 AUGUST 2017

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Masorti Judaism (the company) for the year ended 31 August 2017.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" effective 1 January 2015.

1. Objectives and activities

The Trustees review the principal aims, objectives and activities of Masorti Judaism each year to ensure that Masorti Judaism remains focused for the foreseeable future on its stated purpose and objects. The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the objectives and aims of Masorti Judaism in planning future activities, and in particular how the planned activities will further the public benefit.

a. Purpose and core values

The object of Masorti Judaism is to promote the practice and teaching of non-fundamentalist traditional Judaism. Our purpose as stated in our strategic plan is to develop flourishing communities and promote a Judaism committed to traditional practice and modern values. We aim for every Masorti community and the movement as a whole to be:

- Committed to Jewish learning
- Faithful to traditional, halachic practice
- Welcoming, inclusive and pluralistic
- Participative and empowering

Other values which are important to us include the centrality of Israel, democracy, equality, prioritising achievement and impact, and commitment to leadership development.

b. Aims and strategy

We have set three aims:

- To provide professional services to all Masorti communities to enable them to continuously improve their work, achieve their goals and flourish
- To grow the movement in terms of membership, attendance/involvement and number of communities
- To raise our profile, making Masorti a well-defined, universally known concept across the Jewish community

While outreach, profile-raising and membership growth depends to a great extent on the success of individual synagogues, we have identified several interlinked drivers of growth which the movement, rather than individual communities, has the capacity to push forward:

- **Community development:** providing professional advice and training to our member communities as well as opportunities to network and share resources will enable them to flourish and, where appropriate, grow. Working to establish new Masorti communities will expand the movement's capacity for outreach and expansion
- **Leadership development:** ensuring the provision of rabbis, chazanim, educators and lay-leaders with the skills to inspire and lead our communities, to reach out to new members, and to communicate our message in the public sphere
- **Young people – Noam and Marom:** developing motivated leaders with a high level of Jewish literacy, reaching out to students, young adults and families as potential new members, and communicating the value of Masorti Judaism to wider sections of the Jewish community
- **Communications:** strengthening our identity as a movement, creating and deepening awareness and understanding of Masorti Judaism among our members and the wider community, communicating the value of our work, and improving our communities' capacity to do effective outreach and marketing
- **Organisation and funding:** ensuring we have the resources and systems to deliver these results

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c. **Achievements 2016-17**

Over the past year, Masorti Judaism has successfully realized the following goals:

- We supported two **emerging communities** for young adults in London – Ohel Moed and the Havurah – and provided ongoing support for other small communities across the UK. In total we now have 15 communities meeting regularly around the country
- We supported two Masorti communities to employ their **first rabbis** – Oliver Joseph in Elstree & Borehamwood, and Roni Tabick in Stoke Newington. Both rabbis have now completed their second year of employment with us, have contributed to significant membership growth in their communities, and are also working with Noam, Marom and New North London Synagogue
- We provided financial and professional support to one full-time **rabbinical student** at Leo Baeck College and one part-time student at Ziegler rabbinical school during her year in Israel at the Conservative Yeshiva. We worked with IBC to confirm and launch a suitable curriculum for training Masorti rabbis
- **Noam – Masorti Youth** – welcomed over 300 young people to its summer camps in the UK, 75 young people to its Israel experience summer programme, and six participants to its gap year programme, Drachim. We trained 78 madrichim (leaders) at Merkaz Noam, our weekly teenage centre, implemented a powerful Pre-Camp educational programme for 156 young leaders, and launched a new, month-long intensive training and Jewish learning programme for senior camp leaders at the Conservative Yeshiva in Jerusalem. Noam also held successful summer and half-term *kaylanot* (day camps), a winter camp and conference (Veida) and ran regular youth activities in various Masorti communities
- **Marom – Masorti young adults** continued to run innovative communal and educational activities for young adults in London, and also worked with 200 students in Marom groups across nine campuses. Marom also organised a weekly Talmud class for young adults, participated in Marom Europe seminars, and sent a group of young people on the March of the Living programme to Poland.
- The **European Masorti Bet Din** worked on 75 UK cases of conversion, divorce and supervising kosher food.
- We continued to produce regular, well-managed **communications output**, in particularly our weekly Torah-study sheet and e-letter, *Reflections*. We have significantly expanded our social media presence, bringing our message to new audiences. Senior rabbi Jonathan Wittenberg, our rabbis, professionals and lay leaders have also worked to raise the movement's profile, representing us in the press and at cross-communal, interfaith and other public forums.
- **Events and courses:** We continued to run the weekly Masorti Kollel for high level Talmud study, and held a successful Masorti Women's Forum study day for 80 participants, an extremely well-attended Noam supper quiz and an Annual Dinner for 270 guests.
- We launched a **listening campaign** to develop teams of community leaders, strengthen relationships, and learn about the issues facing our members. We ran training sessions for 40 leaders and launched listening campaigns which reached 120 people across five communities.
- As part of our **membership growth toolkit project** we developed a research and educational pack entitled 'What we know about how synagogues grow', held initial briefings for leaders from four communities and selected a community with which to pilot this project.
- We commissioned a **governance review** and implemented its recommendations, creating a new fit-for-purpose Board structure and recruiting a new, highly skilled, nine-person Board of Trustees.
- We launched a new **membership database** and **legacy fundraising scheme**.
- We brought the **Yellow Candle programme** to the UK – on Yom Hashoah, Holocaust Memorial Day, 3500 people from across the Jewish community lit candles in memory of named individuals who died in the Shoah.

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d. Future plans

In 2017-18 we plan to build on this year's successes by working to the following strategic goals:

Leadership development

- Inducting the new senior management team and developing a clear and effective working relationship with the new Board
- Ensuring full employment for all new rabbis over the next two years and maximising rabbinic support for all our communities

Community support

- Piloting and evaluating the membership growth toolkit with one community and rolling it out with additional communities
- Completing the current listening campaign cycle and bringing together the issues raised and leaders involved in planning a movement wide event or project
- Establishing the role of community development director

Noam and Marom

- Boosting Noam camp numbers and implementing successful year-round youth provision
- Revamping Marom young adults with a new team, developing a network of leaders and rolling out a programme of events ('house without walls')

Policy

- Developing movement policy on non-Jewish synagogue members
- Establishing a legal channel for registration of same-sex marriages
- Completing and implementing a data protection policy

Communications

- Revamping our regular communications output (including Reflections and regular e-letter)
- Creating a social media strategy to reach out to potential members and actioning and evaluating a campaign

Funding

- Developing a new group of major donors and sustaining our levels of donor fundraising
- Agreeing and implementing a membership-based funding model for rabbinic training
- Boosting income through a 'Noam 30' fundraising campaign

2. Structure, Governance and Management

a. **Constitution**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 July 2006. The company is constituted under a Memorandum of Association dated 26 September 2017 and is a registered charity number 1117590.

b. Organisational structure and decision making

i. **Governing Document**

Masorti Judaism (formerly The Assembly of Masorti Synagogues) is a registered company limited by guarantee, number 05890261, and a registered charity, number 1117590, and is governed by its Memorandum and Articles of Association.

The directors are the Charity Trustees and appointed members of the Board of Trustees. The Board is responsible for managing and carrying out the objectives of Masorti Judaism in accordance with its Memorandum and Articles of Association.

The company has no share capital, but under the terms of its Memorandum and Articles of Association every member is liable to contribute a sum not exceeding £1 in the event that the company is wound up whilst they are a member or for one year thereafter.

ii. **Recruitment and Appointment of Trustees**

New trustees are proposed by a nominations committee following a transparent, skill-based recruitment process and elected by the members at a general meeting. There are nine trustees (the maximum number allowed).

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iii. Trustee Induction and Training

Masorti Judaism continues to review its policies and procedures for the induction and training of both new and existing Trustees.

We have recently adopted a formal code of conduct for Trustees and have initiated a series of training sessions aimed at Trustees. New Trustees are inducted through meetings with the co-chairs and staff and are provided with important information about the organisation such as the strategic development plan and the organisational budget.

iv. Organisation Structure

The Trustees meet 10 times a year to manage the affairs of Masorti Judaism, review its strategic plan and decide on its overall direction. The day to day running of the organisation is delegated to the Chief Executive and the senior leadership team and is supervised by the co-chairs of trustees

v. Senior leadership team

The senior management team comprises:

- Matt Plen – Chief Executive
- Rachel Sklan – Noam and Marom Director
- Yael Shotts – Operations Director (appointed November 2017)
- Jon Pam – Community Development Director (appointed September 2017)

c. Board of Trustees

The Trustees who served during the year up to the date of the signing of this Report are listed below:

Mr James Burns
Ms Ilana Fenster (Resigned 26 September 2017)
Mrs Shirley Fenster
Mr Nicholas Gendler (Resigned 26 September 2017)
Mr Paul Harris (Resigned 26 September 2017)
Mr Edward Kafka (Resigned 26 September 2017)
Ms Joanne Kosmin (Resigned 26 September 2017)
Mr Darren Marks (Resigned 26 September 2017)
Mr Bruce Rigal (Resigned April 2017 - Reappointed 26 September 2017)
Mr Nicholas Schlagman (Resigned 26 September 2017)
Mr Daniel Stander (Resigned 26 September 2017)
Mr Richard Wolfe (Resigned 26 September 2017)

Following a governance review, this Board was disbanded and a new Board elected at a general meeting on 26 September 2017. See Legal and Administrative page for details of current trustees.

d. Risk Management

The Board of Trustees have been actively assessing the major risks that Masorti Judaism faces on an ongoing basis and are of the opinion that maintaining reserves at reasonable levels, combined with regular reviews of the controls over key financial systems, has provided sufficient resources in the event of adverse conditions to enable Masorti Judaism to continue its operations. The Trustees have also regularly considered other business risks faced by Masorti Judaism and have endeavored to improve its operating systems in order to reduce these risks.

Among the risks identified are the possibility of loss of income due to fluctuating levels of voluntary donations and unanticipated changes in participant numbers at programmes and events, and the possibility of failing to achieve strategic aims due to lack of cooperation from key partners and stakeholders.

The key controls used by Masorti Judaism include:

- Regular review of risks to the organisation at Board level using a formal risk register.
- Formal agendas and minutes for all Council meetings and operational activities.
- Budgetary presentation for all major operational activities.
- Established organisational structure and lines of reporting.
- Formal written reports to the Board.
- Clear authorisation and approval levels.

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- Vetting procedures as required by law for the protection of the vulnerable.
- Engagement of professional advisers as and when necessary.

In order to mitigate the major risk of falling Noam summer programme numbers and the associated financial impact, The charity has developed enhanced participant recruitment strategies and has adopted more robust financial reporting and planning systems to ensure that planned expenditure more closely matches projected income. These measures have enabled us to substantially improve our financial position and run a significant surplus this year.

e. Volunteers

Masorti Judaism works with over 200 volunteers as youth leaders on residential camps and local activities, campus representatives and young adult leaders, steering group members and volunteers for fundraising and educational events, and members of various committees. As a community organisation, we work with volunteers as a matter of principle rather than financial necessity and so have not calculated the financial value of the work carried out by these volunteers.

3. Membership

The Board of Trustees may at its discretion and by a two-thirds majority vote admit as a member any congregation of Jews which has satisfied the Board that it is properly constituted as a charity and is willing to be bound by the Memorandum and Articles of Association of Masorti Judaism. Following any such admission as a member, the congregation of Jews so admitted shall be counted as a Constituent Synagogue for all purposes of the Memorandum and Articles of Association of Masorti Judaism. Each constituent synagogue will pay a subscription to Masorti Judaism as determined by the Board of Trustees. Masorti Judaism's constituent members in 2016-17 comprised:

Name of Synagogue	Registered Charity No.	Number of Members	
		Jan 2016	Jan 2017
Edgware Masorti Synagogue	1117623	435	415
Elstree and Borehamwood Masorti Community	1139041	113	126
Hatch End Masorti Synagogue	10809051	124	122
Kol Nefesh Masorti Synagogue	1081444	105	107
New Essex Masorti Synagogue (formerly Buckhurst Hill Masorti Synagogue)	297101	139	102
New London Synagogue	1133578	727	676
New North London Synagogue	1094668	2045	2071
New Stoke Newington Shul		45	56
St Albans Masorti Synagogue	1118649	294	294
TOTAL		4027	3930

Masorti Judaism's associate members in 2015-16 comprised:

Name of Synagogue	Registered Charity No.	Number of Members	
		2015	2016
Havurah		30	80
Leeds Masorti Community		30	50
Liverpool Masorti		5	5
Masorti Bournemouth*		20	0
Masorti Jews in Bristol*		12	0
New Whitstone Synagogue		10	30
Ohel Moed		16	50
Oxford Masorti Group		30	30
TOTAL		163	245

*These communities ceased operating during the 2016-17 year.

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4. Financial Review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Key financial performance indicators

The Statement of Financial Activities (SOFA) set out on page 11, shows that the charity received donations and income of £1,306,811 (2016: £1,195,902) of which £1,203,884 (2016: £1,160,320) was paid out of expenses, leaving a surplus of £102,927 (2016: £35,582).

Masorti Judaism has relied upon subscriptions from member synagogues, as well as grants and donations as referred to in these accounts for both restricted and unrestricted activities. The support of the donors has been extremely valued by the Board.

c. Reserves policy

It has been the policy of Masorti Judaism to maintain the unrestricted funds at levels which are adequate to meet ongoing management, administration and support costs. A detailed reserves policy has been adopted by the Trustees. The level of free reserves is monitored and reviewed regularly by the Board. Last year, the trustees committed to increasing the charity's level of free reserves to £70,000 by year-end 2017. The level of free reserves at year-end 2017 stood at £148,072.

The policy of Masorti Judaism has been to maintain the restricted funds at a level to enable it to meet its full obligations under the terms of their establishment by the donors.

d. Material investments policy

The Board has taken a prudent view regarding the investment of short term surplus funds. Accordingly, these funds have been placed on easy access deposit with bankers.

e. Cooperation with other charitable organisations

Masorti Judaism has received donations and grants from other charitable organisation for the furtherance of its objects. The Board also has requested assistance and support from other charitable organisations when considered desirable and in accordance with its objectives.

f. Small Company Provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

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5. Public Benefit Statement

The Trustees have complied with their duties set out in the Charities Act 2011 to have due regard to the guidance published by the Charity Commission. The benefit to the public is manifestly demonstrated by the achievements contained in this report.

6. Provision of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 4(1A) of the Companies Act 2006.

This report was approved by the Trustees on 8/2/18 and signed on their behalf by


Paul Collin
Trustee

MASORTI JUDAISM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

MASORTI JUDAISM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MASORTI JUDAISM

Opinion

We have audited the accounts of Masorti Judaism (the 'Charity') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity'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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 our audit:

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

MASORTI JUDAISM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MASORTI JUDAISM

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

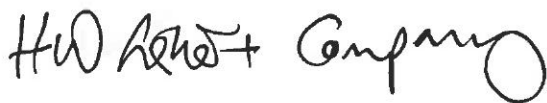
In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease 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 accounts 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 accounts.

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

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



Andrew Rich (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company
Chartered Accountants

Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

8/2/18

MASORTI JUDAISM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	3	731,223	39,949	771,172	453,861
Charitable activities	4	533,539	-	533,539	687,096
Other trading activities	5	2,100	-	2,100	54,878
Investments	6	-	-	-	67
Total income		1,266,862	39,949	1,306,811	1,195,902
<u>Expenditure on:</u>					
Raising funds	7	78,405	-	78,405	14,879
Charitable activities	8	1,097,599	27,880	1,125,479	1,145,441
Total resources expended		1,176,004	27,880	1,203,884	1,160,320
Net income for the year/ Net movement in funds		90,858	12,069	102,927	35,582
Fund balances at 1 September 2016		65,430	7,044	72,474	36,892
Fund balances at 31 August 2017		156,288	19,113	175,401	72,474

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	12		8,216		1,975
Current assets					
Debtors	14	82,504		97,024	
Cash at bank and in hand		168,761		88,357	
		251,265		185,381	
Creditors: amounts falling due within one year	15	(84,080)		(114,882)	
Net current assets			167,185		70,499
Total assets less current liabilities			175,401		72,474
Income funds					
Restricted funds	16		19,113		7,044
Unrestricted funds			156,288		65,430
			175,401		72,474

The accounts were approved by the Trustees on 8/2/18


Paul Collin
Trustee

Company Registration No. 05890261

MASORTI JUDAISM

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		90,368		(3,437)
Investing activities					
Purchase of tangible fixed assets		(10,765)		(2,370)	
Proceeds on disposal of tangible fixed assets		801		-	
Interest received		-		67	
Net cash used in investing activities			(9,964)		(2,303)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			80,404		(5,740)
Cash and cash equivalents at beginning of year			88,357		94,097
Cash and cash equivalents at end of year			<u>168,761</u>		<u>88,357</u>

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Charity information

Masorti Judaism is a private company limited by guarantee incorporated in England and Wales. The registered office is Alexander House, 3 Shakespeare Road, London, N3 1XE.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Based on current management accounts, projections and budgets the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are funds which are used in accordance with the specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expenses categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objectives of the company. Governance costs are those incurred in connections with administration of the company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	3 year straight line
Computer software	3 year straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial instruments

The Charity 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 Charity's balance sheet when the Charity 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.

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, 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 receipts 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 4. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no critical accounting estimates made in either year.

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	277,643	32,169	309,812	155,692
Grant receivable	244,018	7,780	251,798	123,551
Membership fees	209,562	-	209,562	174,618
	<u>731,223</u>	<u>39,949</u>	<u>771,172</u>	<u>453,861</u>
For the year ended 31 August 2016	<u>357,323</u>	<u>96,538</u>		<u>453,861</u>

4 Charitable activities

	2017 £	2016 £
Sales within charitable activities	483,176	385,597
Other income	50,363	301,499
	<u>533,539</u>	<u>687,096</u>

5 Other trading activities

	2017 £	2016 £
Trading income	2,100	54,878
	<u>2,100</u>	<u>54,878</u>

6 Investments

	2017 £	2016 £
Interest receivable	-	67
	<u>-</u>	<u>67</u>

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7 Raising funds

	2017	2016
	£	£
<u>Costs of generating donations and event income:</u>		
Staging fundraising events	-	14,879
Staff costs	78,405	-
	<u>78,405</u>	<u>14,879</u>
Costs of generating donations and event income	78,405	14,879
	<u>78,405</u>	<u>14,879</u>
For the year ended 31 August 2016		
Costs of generating donations and event income		<u>14,879</u>

8 Charitable activities

	2017	2016
	£	£
Staff costs	307,146	465,173
Depreciation and impairment	3,723	2,536
Direct costs	631,120	559,305
	<u>941,989</u>	<u>1,027,014</u>
Share of support costs (see note 9)	152,427	102,880
Share of governance costs (see note 9)	31,063	15,547
	<u>1,125,479</u>	<u>1,145,441</u>
Analysis by fund		
Unrestricted funds	1,097,599	
Restricted funds	27,880	
	<u>1,125,479</u>	
For the year ended 31 August 2016		
Unrestricted funds		1,048,347
Restricted funds		97,094
		<u>1,145,441</u>

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Support costs	Support costs	Governance costs	2017	2016
	£	£	£	£
Staff costs	70,797	-	70,797	-
Accommodation and services	41,277	-	41,277	38,682
Telephone	-	-	-	4,619
PPS	13,270	-	13,270	6,525
Repairs and maintenance	11,504	-	11,504	21,176
Travelling expenses	10,655	-	10,655	1,892
Sundry expenses	2,472	-	2,472	23,512
Bank charges	2,452	-	2,452	1,974
Professional fees	-	-	-	4,500
Audit fees	-	21,627	21,627	10,000
Book keeping fees	-	5,370	5,370	3,958
Trustees' insurance	-	4,066	4,066	1,589
	<u>152,427</u>	<u>31,063</u>	<u>183,490</u>	<u>118,427</u>

During the year, the charity has reviewed their allocation of expenses to give a better representation of the charity's activities. This does mean that some costs do not look comparable to the prior year.

10 Trustees

No trustee expenses were paid during the year. (2016: £nil.).

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
	16	19

Employment costs

	2017 £	2016 £
Wages and salaries	428,265	427,199
Social security costs	23,735	35,105
Other pension costs	4,348	2,869
	<u>456,348</u>	<u>465,173</u>

The senior management team described in the trustees' report received total remuneration of £134,014 (2016: £127,332).

The number of employees whose annual remuneration was £60,000 or more were:

	2017 Number	2016 Number
£60,000-£69,999	1	1

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer software £	Total £
Cost			
At 1 September 2016	38,810	-	38,810
Additions	765	10,000	10,765
Disposals	(20,165)	-	(20,165)
At 31 August 2017	<u>19,410</u>	<u>10,000</u>	<u>29,410</u>
Depreciation and impairment			
At 1 September 2016	36,835	-	36,835
Depreciation charged in the year	390	3,333	3,723
Eliminated in respect of disposals	(19,364)	-	(19,364)
At 31 August 2017	<u>17,861</u>	<u>3,333</u>	<u>21,194</u>
Carrying amount			
At 31 August 2017	<u>1,549</u>	<u>6,667</u>	<u>8,216</u>
At 31 August 2016	<u>1,975</u>	<u>-</u>	<u>1,975</u>

13 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>44,633</u>	<u>77,559</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>75,392</u>	<u>101,275</u>

14 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	44,633	77,559
Prepayments and accrued income	37,871	19,465
	<u>82,504</u>	<u>97,024</u>

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	8,688	13,607
Trade creditors	28,836	58,161
Other creditors	1,909	9,943
Accruals and deferred income	44,647	33,171
	<u>84,080</u>	<u>114,882</u>

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2016 £	Movement in funds		Balance at 31 August 2017 £
		Incoming resources £	Resources expended £	
Mercaz	4,728	7,194	(11,922)	-
Bet Din Fund	-	2,557	-	2,557
Quest Journal	2,958	-	(2,958)	-
Citizens UK	(450)	10,330	(3,000)	6,880
JJBS	(192)	-	-	(192)
Rabbinical Training	-	19,868	(10,000)	9,868
	<u>7,044</u>	<u>39,949</u>	<u>(27,880)</u>	<u>19,113</u>

Mercaz fund represents payments by Masorti members to Mercaz, the Masorti Zionist organisation. It is used to pay membership dues to the Zionist Federation and to support Israel education programmes.

Bet Din fund represents monies received towards the operations of the Bet Din.

Quest Journal fund represents donations received to cover the cost of producing the journal.

Citizens UK fund represents donations received to cover the costs of community and leadership development projects carried out for Masorti Judaism by Citizens UK.

JJBS fund represents a grant received from the Jewish Joint Burial Society to cover the production costs of a new Noam prayerbook.

Rabbinical fund is for training purposes

MASORTI JUDAISM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2017 are represented by:			
Tangible assets	8,216	-	8,216
Current assets/(liabilities)	148,072	19,113	167,185
	<u>156,288</u>	<u>19,113</u>	<u>175,401</u>

18 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	26,173	26,173
Between two and five years	4,171	30,344
	<u>30,344</u>	<u>56,517</u>

19 Related party transactions

Jump Ahead Media Limited, a company 90% owned by trustee James Burns, has contracted to design a new donor system for a fee of £10,000. £7,500 was paid in the year.

Trustee Leonie Fleischmann was paid £514 to provide research services in the year.

20 Cash generated from operations

	2017 £	2016 £
Surplus for the year	102,927	35,582
Adjustments for:		
Investment income recognised in statement of financial activities	-	(67)
Depreciation and impairment of tangible fixed assets	3,723	2,536
Movements in working capital:		
Decrease/(increase) in debtors	14,520	(77,219)
(Decrease)/increase in creditors	(30,802)	35,731
Cash generated from/(absorbed by) operations	<u>90,368</u>	<u>(3,437)</u>