

**THE NEW LONDON SYNAGOGUE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	David Franks Ian Green (Chairman) Emily Landau (Treasurer) Alex Wolf Edward Teeger Alan Sanders Nathalie Glaser Daniel Saville Anthony Phillips Robert Low Ryan Monis Benjamin Gray (Warden) Joanne Kosmin Ian Govendir Andy Gupta Katharine Kneller Margo Miller
<b>Honorary Solicitor</b>	Brian Fraiman
<b>Secretary</b>	Joanne Velleman
<b>Charity number</b>	1133578
<b>Company number</b>	07030491
<b>Principal address</b>	33 Abbey Road London United Kingdom NW8 0AT
<b>Registered office</b>	33 Abbey Road London United Kingdom NW8 0AT
<b>Auditors</b>	H W Fisher & Company Acre House 11-15 William Road London United Kingdom NW1 3ER
<b>Bankers</b>	National Westminster Bank plc PO Box 7014 102 St John's Wood High Street London United Kingdom NW8 7SD

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**LEGAL AND ADMINISTRATIVE INFORMATION**

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

Bank of Scotland Plc  
The Mound  
Edinburgh  
EH1 1YZ

**Investment advisors**

Ruffer LLP  
80 Victoria Street  
London  
SW1E 5JL

Troy Asset Management Limited  
33 Davies Street  
London  
W1K 4BP

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# THE NEW LONDON SYNAGOGUE

## COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 28 FEBRUARY 2018

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The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, 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 (FRS102)(effective 1 January 2015)(as amended for accounting periods commencing from 1 January 2016).

#### Organisational Structure

The New London Synagogue, 33 Abbey Road, London NW8 0AT is a company limited by guarantee registered in England and Wales and was incorporated on 25 September 2009 under number 07030491. It does not have share capital. The company is also registered under charity registration number 1133578.

Council members are trustees for charity purposes and directors for company law and are hereinafter variously referred to as Council Members, directors or trustees.

They are elected for a period of 3 years at the Annual General Meeting. They are nominated and voted in by members of the New London Synagogue. The Treasurer and Synagogue Wardens are ex officio members of the Council.

The Council members, who are also the directors for the purpose of company law, and who served during the year were:

Jonathan Barnett (elected July 2017)  
David Franks  
Nathalie Glaser  
Ian Govendir  
Benjamin Gray (Warden)  
Ian Green (Chairman)  
Andy Gupta  
Katharine Kneller  
Joanne Kosmin (Masorti Judaism rep) (retired July 2017)  
Emily Landau (Treasurer)  
Robert Low (Warden)  
Margo Miller (elected July 2017)  
Ryan Monis  
Anthony Phillips  
Alan Sanders (retired July 2017)  
Daniel Saville  
Edward Teeger  
Matt Williams (Masorti Judaism rep) (elected July 2017)  
Alex Wolf

Senior staff responsible for day-to-day management were:

James Cohen (Finance Administrator)  
Jeremy Gordon (Rabbi)  
Jason Green (Cantor) (resigned 16 January 2018)  
Jo Velleman (Executive Director)

None of the Council Members has any beneficial interest in the company. Each Council Member guarantees to contribute £1 in the event of a winding-up.

#### Related Parties

No Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# **THE NEW LONDON SYNAGOGUE**

## **COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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#### Relationship between Charity and Related Parties

Rabbi Jeremy Gordon and Cantor Jason Green are both ex officio non-voting members of the Council and are also employees of the company. Their salaries are incorporated in the salary costs per note 11. Cantor Jason Green resigned on 16<sup>th</sup> January 2018.

#### Decision Making

Decision making is in accordance with and regulated by the Memorandum and Articles of Association. The Council has overall responsibility for the management of the Synagogue. Day to day management of the Synagogue is delegated to the Executive Committee of Council.

#### Recruitment and Appointment of Trustees

Council members are elected or appointed in accordance with the provisions of the Memorandum and Articles of Association. There is no formal training requirement.

#### Risk Management

The Council has assessed the risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The Synagogue maintains a risk register that is reviewed by the Executive Committee on a regular basis.

Principal risks, in addition to financial risks, include security, health and safety and child protection measures.

Financial risks are monitored by Finance Committee and at monthly Executive Committee meetings.

There has been an increased security risk over the past few years. Our Head of Security has proposed additional security measures, some of which have been implemented already, with the remaining due to be implemented during the coming financial year once planning permissions are obtained. Planning permission has taken longer than anticipated because this is a listed building in a conservation area.

Health and Safety policies are maintained and monitored by the Office Director. Child protection policies are in place and the Head of Youth is responsible for ensuring that these policies are adhered to at all times.

#### Pay reviews

The trustees have a pay review policy that links salaries to inflationary indexes. This is reviewed by the Executive Committee at least annually.

#### Objectives and Activities

The objectives of the Company are the continuance, support and maintenance of the Synagogue at Abbey Road, London and otherwise for the advancement and promotion of the practise and teaching of traditional Judaism.

The objectives of the company are achieved by the maintenance of the Synagogue and the provision of religious and educational and other related activities including regular religious services held weekly and on all Jewish festivals and holy days; religion school on Sundays; life cycle support; weekday and evening educational and social programmes throughout the year.

#### Achievements and Performance

The company continued to fulfil its function in accordance with the Memorandum and Articles of Association, by providing a full range of Jewish religious, social and educational services for our congregation and their families.

The listed synagogue building and ancillary offices have been maintained; religious services are held regularly; the religion school has developed into a vibrant community and the adult education programme continues to run successful activities throughout the year.

The charity continues to develop contact with funders and potential funders.

# THE NEW LONDON SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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### Public Benefit

The Council has complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

### Financial Review

For the year ended 28th February 2018, the company had total incoming resources of £804,787, some 27% higher than the previous year. As in the previous year, the major component of this total was voluntary income from membership fees and donations, some 40% higher than last year at £675,064. The majority of the uplift in voluntary income relates to funds raised for the proposed security improvements (£48,000), funds donated to the NLS Asylum Drop In Centre (£57,000) and a one-off sum paid into the Rabbi's discretionary fund for onward distribution (£16,000).

Total resources expended amounted to £713,919 some 3% higher than the previous year. This figure includes some increased utility and security costs.

Investment funds decreased in value by £15,154 (2017: gain of £115,445) caused by a fall in the markets. Further detail is provided under investment policy and objectives.

Other investment income was £8,965 (2017: £20,291).

At 28th February 2018, net assets amounted to £2,865,349 (2017: £2,789,635) of which unrestricted and undesignated funds amounted to £335,716 (2017: £295,809). Designated funds amounted to £2,371,158 (2017: £2,414,409) and restricted funds amounted to £158,475 (2017: £79,417).

The designated funds in the 2018 balance sheet comprise (i) the net book value £99,095 (£102,192) of the Synagogue building carried forward; (ii) the net book value £1,050,000 (£1,075,000) of the Synagogue's interest in 29 Goldhurst Terrace (see note 13); and (iii) £1,222,063 of investment funds now managed by Troy Asset Management Limited and Ruffer LLP.

The composition of the restricted fund is as shown in note 14.

### Reserves Policy

The Trustees have a policy of having sufficient reserves to meet at least three months' of expected liabilities as they fall due. At 28 February 2018 we maintained cash reserves of £555,480. This includes cash held for restricted funds. Excluding the cash held for restricted funds our available cash balance is in line with our minimum reserve policy.

### Principal Funding Sources and Expenditure

Income is derived from membership fees, donations, wedding fees, education fees.

Expenditure has been on religious services and provision, building maintenance, education and social programmes

# THE NEW LONDON SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 28 FEBRUARY 2018

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#### Investment Policy and Objectives

The present investment policy is to target long-term capital growth. The investment funds are managed roughly equally between Troy Asset Management Limited and Ruffer LLP. The Investment Committee, which is a sub-committee of the Finance Committee, monitors performance and meets the manager a minimum of once a year to agree objectives and asset allocation and discuss performance.

The fund has benchmark asset allocations and is invested into underlying funds using the benchmark as a guide to asset allocation. This provides diversity by both manager and across different asset classes.

The performance of the investment funds during the 2017-18 year of management are set out below:

	2017-18	2016-17
	£	£
Net realised and unrealised (losses) / gains on investments	(15,154)	115,445
Investment income	5,416	13,306
	(9,738)	128,751

The funds decline of 1% reflected a combination of the cost of protection against possible market downturn and a fall in worldwide equities during February 2018.

#### Plans for the future

The Synagogue's plans continue to be to fulfil its stated objectives. A review of the organisational structure to enhance the provision of clergy support is currently underway which will support these aims.

#### Auditors

H W Fisher & Company were appointed as auditors for 2018 in accordance with the provisions of the Companies Act.

#### Disclosure of Information to Auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Directors/Trustees are aware of such information.

On behalf of the Directors/Trustees:

Ian Green  
Chairman

Dated.....



**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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The Trustees, who are also the directors of The New London Synagogue for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE NEW LONDON SYNAGOGUE**

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**Opinion**

We have audited the accounts of The New London Synagogue (the 'charity') for the year ended 28 February 2018 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 28 February 2018 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 Council Members' 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 Council Members' 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 Council Members' Report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF THE NEW LONDON SYNAGOGUE**

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**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 Council Members' 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 Council Members' 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.

**Julian Challis (Senior Statutory Auditor)**  
**for and on behalf of H W Fisher & Company**

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

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**THE NEW LONDON SYNAGOGUE****STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT*****FOR THE YEAR ENDED 28 FEBRUARY 2018***

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
<b><u>Income from:</u></b>						
Voluntary income	3	533,005	-	142,059	675,064	482,687
Charitable activities	4	117,339	-	-	117,339	95,695
Other trading activities	5	3,419	-	-	3,419	35,954
Investments	6	8,965	-	-	8,965	20,291
<b>Total income</b>		662,728	-	142,059	804,787	634,627
<b><u>Expenditure on:</u></b>						
Raising funds	7	52,825	-	-	52,825	53,126
<b><u>Charitable activities</u></b>						
Religious and Synagogue activities	8	446,860	28,097	61,215	536,172	478,925
Education	8	124,922	-	-	124,922	162,721
<b>Total charitable expenditure</b>		571,782	28,097	61,215	661,094	641,646
<b>Total resources expended</b>		624,607	28,097	61,215	713,919	694,772
Net gains/(losses) on investments	12	-	(15,154)	-	(15,154)	115,445
<b>Net incoming resources before transfers</b>		38,121	(43,251)	80,844	75,714	55,300
Gross transfers between funds		1,786	-	(1,786)	-	-
<b>Net movement in funds</b>		39,907	(43,251)	79,058	75,714	55,300
Fund balances at 1 March 2017		295,809	2,414,409	79,417	2,789,635	2,734,335
<b>Fund balances at 28 February 2018</b>		335,716	2,371,158	158,475	2,865,349	2,789,635

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.

**BALANCE SHEET**

**AS AT 28 FEBRUARY 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	13		1		1
Tangible assets	14		1,180,167		1,217,171
Investments	15		1,222,063		1,237,217
			<u>2,402,231</u>		<u>2,454,389</u>
<b>Current assets</b>					
Debtors	17	14,412		19,671	
Cash at bank and in hand		555,480		415,819	
			<u>569,892</u>		<u>435,490</u>
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	<b>(106,774)</b>		<b>(100,244)</b>	
Net current assets			<u>463,118</u>		<u>335,246</u>
<b>Total assets less current liabilities</b>			<u><u>2,865,349</u></u>		<u><u>2,789,635</u></u>
<b>Income funds</b>					
Restricted funds	20		158,475		79,417
<u>Unrestricted funds</u>					
Designated funds	21	2,371,158		2,414,409	
General unrestricted funds		335,716		295,809	
			<u>2,706,874</u>		<u>2,710,218</u>
			<u><u>2,865,349</u></u>		<u><u>2,789,635</u></u>

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

.....  
 Ian Green (Chairman)  
**Trustee**

**Company Registration No. 07030491**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

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	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	24		132,147		(21,453)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,451)		(604)	
Income from investments		5,416		-	
Purchase of investments		-		13,306	
Proceeds on disposal of investments		-		(13,306)	
Rental income		3,549		6,985	
<b>Net cash generated from investing activities</b>			7,514		6,381
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			139,661		(15,072)
Cash and cash equivalents at beginning of year			415,819		430,891
<b>Cash and cash equivalents at end of year</b>			555,480		415,819

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**NOTES TO THE FINANCIAL STATEMENTS**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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**1 Accounting policies**

**Company information**

The New London Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is 33 Abbey Road, London, NW8 0AT, United Kingdom.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles, 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 on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts (see Note 21).

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts (see Note 20).

**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. 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.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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

**1.5 Resources expended**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Company to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. VAT input tax that cannot be reclaimed is included in the cost to which it relates.

Support costs have been allocated between charitable activities. Costs common to more than one area have been split between the two activities based on the percentage of direct expenditure.

**1.6 Intangible fixed assets**

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation.

**1.7 Tangible fixed assets**

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land & buildings - 29 Goldhurst Terrace	2% straight line per annum
Freehold land & buildings - Synagogue	2% straight line per annum
Fixtures, fittings & equipment	25% reducing balance per annum

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.

Heritage assets have not been recognised in the accounts, as significant costs are involved in the reconstruction or analysis of past accounting records, which are onerous compared with any additional benefit derived from recognising these items in the balance sheet.

Heritage assets are assets that are of historical, or religious importance that are held to further the preservation, conservation and educational objectives of the Synagogue and contribute to culture and education. These assets are integral to the activities of the Synagogue and are unique in terms of their religious and historic significance.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

All investments are included in the balance sheet at their market value. Any unrealised and realised gains or losses are shown on the face of the Statement of Financial Activities.

**1.9 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. Bank overdrafts are shown within borrowings in current liabilities.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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**1 Accounting policies**

**(Continued)**

**1.10 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.

***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.

**1.11 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.

The charity contributes towards employees personal pension schemes.

**1.12 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.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the council members 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.

In the council members' opinion, there are no critical accounting estimates.

**3 Voluntary income**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	121,852	142,059	263,911	94,755
Membership fees	411,153	-	411,153	387,932
	<u>533,005</u>	<u>142,059</u>	<u>675,064</u>	<u>482,687</u>
<b>For the year ended 28 February 2017</b>	<u>461,088</u>	<u>21,599</u>		<u>482,687</u>

**4 Charitable activities**

	<b>Religious and Synagogue activities</b>	<b>Education</b>	<b>Total</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income, fees and donations	<u>71,286</u>	<u>46,053</u>	<u>117,339</u>	<u>95,695</u>

Religious and Synagogue activities include festival and high holy days income, wedding fees and kiddush donations.

Education income includes adult education income, Cheder and conversion course fees.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**5 Other trading activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fundraising and other income	3,419	35,954
	<u>          </u>	<u>          </u>

**6 Investments**

	<b>Unrestricted funds general £</b>	<b>Unrestricted funds designated £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Rental income	910	-	910	3,600
Income from investments	5,416	-	5,416	13,306
Interest receivable	2,639	-	2,639	3,385
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	8,965	-	8,965	20,291
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>For the year ended 28 February 2017</b>	<u>6,985</u>	<u>13,306</u>		<u>20,291</u>
	<u>          </u>	<u>          </u>		<u>          </u>

**7 Raising funds**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<u>Fundraising</u>		
Other fundraising costs	3,583	4,797
Staff costs	49,242	48,329
	<u>          </u>	<u>          </u>
Fundraising	52,825	53,126
	<u>          </u>	<u>          </u>
	<u>52,825</u>	<u>53,126</u>
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**8 Charitable activities**

	<b>Religious and Synagogue activities</b>	<b>Education</b>	<b>Total 2018</b>	<b>Total 2017</b>
	£	£	£	£
Staff costs	133,437	43,817	177,254	180,394
Cheder expenses	-	2,009	2,009	3,041
L'Chaim conversion programme	-	20,522	20,522	24,316
Other educational expenses	-	1,547	1,547	3,151
Synagogue services	53,229	-	53,229	34,582
High holydays and festivals	9,460	-	9,460	9,485
The Assembly of Masorti Synagogues	37,044	-	37,044	37,580
	<u>233,170</u>	<u>67,895</u>	<u>301,065</u>	<u>292,549</u>
Share of support costs (see note 9)	273,232	50,044	323,276	323,588
Share of governance costs (see note 9)	29,770	6,983	36,753	25,509
	<u>536,172</u>	<u>124,922</u>	<u>661,094</u>	<u>641,646</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	446,860	124,922	571,782	
Unrestricted funds - designated	28,097	-	28,097	
Restricted funds	61,215	-	61,215	
	<u>536,172</u>	<u>124,922</u>	<u>661,094</u>	
<b>For the year ended 28 February 2017</b>				
Unrestricted funds - general	425,773	162,721		588,494
Unrestricted funds - designated	28,097	-		28,097
Restricted funds	25,055	-		25,055
	<u>478,925</u>	<u>162,721</u>		<u>641,646</u>

10% of support wages have been allocated to governance costs and an appropriate proportion of the relevant staff costs have been apportioned to fundraising.

For analysis of staff costs, see Note 11.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

<b>9 Support costs</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2018</b>	<b>2017</b>	<b>Basis of allocation</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	100,275	11,142	111,417	107,521	10% to Governance
Depreciation	38,455	-	38,455	41,423	
Premises costs	92,303	-	92,303	101,518	
Office and administrative costs	30,353	-	30,353	31,173	
Security and caretaking costs	61,890	-	61,890	52,705	
Audit fees	-	13,016	13,016	7,800	Governance
Legal and professional	-	12,595	12,595	6,957	Governance
	<u>323,276</u>	<u>36,753</u>	<u>360,029</u>	<u>349,097</u>	
Analysed between					
Charitable activities	<u>323,276</u>	<u>36,753</u>	<u>360,029</u>	<u>349,097</u>	

Support costs have been apportioned between charitable activities in the same proportions as the direct costs were divided between these activities.

**10 Trustees**

No Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

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**11 Employees**

**Number of employees**

The average monthly number employees during the year was:

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Religious	2	2
Admin	4	4
Education	6	8
	<u>12</u>	<u>14</u>

**Employment costs**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	306,140	302,864
Social security costs	26,783	30,664
Other pension costs	4,990	2,716
	<u>337,913</u>	<u>336,244</u>

Key management personnel include trustees and senior staff. Trustees receive no remuneration. Senior staff comprised of the following: Rabbi, Cantor, Executive Director and Finance Administrator. Their total amount of employee benefits were £242,883 (2017: £244,458).

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
	<u>2</u>	<u>2</u>

None of the employees whose emoluments exceed £60,000 (2017: none) have retirement benefits accruing under defined benefit pension schemes.

**12 Net gains/(losses) on investments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Revaluation of investments	(15,154)	115,445
	<u>(15,154)</u>	<u>115,445</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**13 Intangible fixed assets**

	Indefinite Access £
<b>Cost</b>	
At 1 March 2017 and 28 February 2018	5,000
<b>Amortisation and impairment</b>	
At 1 March 2017 and 28 February 2018	4,999
<b>Carrying amount</b>	
At 28 February 2018	1
At 28 February 2017	1

**14 Tangible fixed assets**

	Freehold land & buildings - 29 Goldhurst Terrace £	Freehold land & buildings - Synagogue £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 March 2017	1,250,000	154,841	244,766	1,649,607
Additions	-	-	1,451	1,451
At 28 February 2018	1,250,000	154,841	246,217	1,651,058
<b>Depreciation and impairment</b>				
At 1 March 2017	175,000	52,649	204,787	432,436
Depreciation charged in the year	25,000	3,097	10,358	38,455
At 28 February 2018	200,000	55,746	215,145	470,891
<b>Carrying amount</b>				
At 28 February 2018	1,050,000	99,095	31,072	1,180,167
At 28 February 2017	1,075,000	102,192	39,979	1,217,171

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**14 Tangible fixed assets**

**(Continued)**

The Company is the beneficial owner of a 50.94% share of the freehold property situated at 29 Goldhurst Terrace, London NW6 3HB. The other 49.06% share of the freehold property is held by Rabbi Jeremy Gordon and Mrs Josephine Gordon.

The property is subject to a mortgage, the entire responsibility for which rests (as between the Company and Rabbi and Mrs Gordon) exclusively with Rabbi and Mrs Gordon, who have undertaken to keep the Company fully indemnified.

The title to the Synagogue building at 33 Abbey Road is held by Flanprop Co. Ltd, as a nominee on behalf of The New London Synagogue. This is a dormant company, of which Emily Landau and Stephen Rosefield are the sole directors and shareholders, as nominees for the Synagogue, and was set up specifically to hold the property on behalf of the Synagogue.

Heritage assets held by the charity include silver, Sifrei Torah and other assets of religious significance. These are not valued or included in the accounts (see Note 1.7).

**15 Fixed asset investments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Managed funds- unlisted	1,221,054	1,236,208
HM Treasury	1,009	1,009
	<u>1,222,063</u>	<u>1,237,217</u>

**Movements in fixed asset investments**

	<b>HM Treasury</b>	<b>Managed Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Market value</b>			
At 28 February 2017	1,009	1,236,208	1,237,217
Valuation changes	-	(15,154)	(15,154)
	<u>1,009</u>	<u>1,221,054</u>	<u>1,222,063</u>
<b>Carrying amount</b>			
At 28 February 2018	1,009	1,221,054	1,222,063
	<u>1,009</u>	<u>1,236,208</u>	<u>1,237,217</u>
At 28 February 2017	<u>1,009</u>	<u>1,236,208</u>	<u>1,237,217</u>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

<b>16</b>	<b>Financial instruments</b>		<b>2018</b>	<b>2017</b>
			<b>£</b>	<b>£</b>
	<b>Carrying amount of financial assets</b>			
	Debt instruments measured at amortised cost		1,009	1,009
	Equity instruments measured at market value		1,221,054	1,236,208
			<u>1,222,063</u>	<u>1,237,217</u>
	<b>Carrying amount of financial liabilities</b>			
	Measured at amortised cost		70,646	54,834
			<u>70,646</u>	<u>54,834</u>
<b>17</b>	<b>Debtors</b>		<b>2018</b>	<b>2017</b>
			<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>			
	Prepayments and accrued income		14,412	19,671
			<u>14,412</u>	<u>19,671</u>
<b>18</b>	<b>Creditors: amounts falling due within one year</b>		<b>2018</b>	<b>2017</b>
		<b>Notes</b>	<b>£</b>	<b>£</b>
	Deferred income	<b>19</b>	36,128	45,410
	Trade creditors		2,671	5,767
	Other creditors		35,488	27,800
	Accruals		32,487	21,267
			<u>106,774</u>	<u>100,244</u>
<b>19</b>	<b>Deferred income</b>		<b>2018</b>	<b>2017</b>
			<b>£</b>	<b>£</b>
	Deferred income		36,128	45,410
			<u>36,128</u>	<u>45,410</u>

Deferred income brought forward was £45,410 and this was all released into 2018. In 2018 the deferred income received was £36,128 and this amount is carried forward. The deferred income balance relates to membership fees paid in advance, income for a proposed stained glass window project and income to go towards paying for the Rabbi's PA.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**20 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:

	<b>Movement in funds</b>				
	<b>Balance at 1 March 2017</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Balance at 28 February 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Refurbishment	61,433	61,509	(24,519)	-	98,423
Rabbi PA	-	5,000	(5,000)	-	-
Education	2,525	-	-	-	2,525
Services	-	1,188	(44)	-	1,144
Rabbi's Discretionary Fund	1,298	16,873	(1,485)	1,889	18,575
Cantor's Discretionary Fund	3,952	418	(695)	(3,675)	-
Hardship Funds	250	50	-	-	300
Refugee Drop In Asylum Centre	8,826	57,021	(29,314)	-	36,533
Rabbi's Book Launch	1,133	-	(158)	-	975
	<u>79,417</u>	<u>142,059</u>	<u>(61,215)</u>	<u>(1,786)</u>	<u>158,475</u>

**Refurbishment Fund**

The balance at year end is to be used for the refurbishment and upkeep of the Synagogue at 33 Abbey Road, and also includes monies raised through the Abbey Road Studios event.

**Rabbi PA Fund**

These funds arise from a donation of £25,000, and are to be used for part time secretarial services for the Rabbi.

**Education Fund**

These funds are to provide education for the whole community, including Cheder, L'Chaim conversion courses and adult education.

**Services Fund**

These funds are to further the programmes of the Synagogue, including Shabbat and festival activities, and maintenance of Sifrei Torah and silver.

**Rabbi's Discretionary Fund**

These funds are donated to the Synagogue for the Rabbi to disburse at his discretion.

**Cantor's Discretionary Fund**

These funds are donated to the Synagogue for the Cantor to disburse at his discretion.

**Hardship Funds**

These represent donations to assist those in need.

**Refugee Drop In Asylum Centre Fund**

These funds are to provide food, clothes, toiletries and other support to approximately 150 asylum seekers each month.

**Transfers**

These funds arise from Rabbi Gordon's book launch.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28 FEBRUARY 2018**

**21 Designated funds**

The income funds of the charity include the following designated funds which have been set aside as part of unrestricted funds by the trustees for specific purposes:

	<b>Movement in funds</b>				
	<b>Balance at 1 March 2017</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Investments gains/losses</b>	<b>Balance at 28 February 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Buildings fund	1,177,192	-	(28,097)	-	1,149,095
Investments fund	1,237,217	-	-	(15,154)	1,222,063
	<u>2,414,409</u>	<u>-</u>	<u>(28,097)</u>	<u>(15,154)</u>	<u>2,371,158</u>
	<u><u>2,414,409</u></u>	<u><u>-</u></u>	<u><u>(28,097)</u></u>	<u><u>(15,154)</u></u>	<u><u>2,371,158</u></u>

**Buildings Fund**

These funds relate to the net book value of the Synagogue building and the property at 29 Goldhurst Terrace.

**Investments Fund**

These funds have been designated as investments of the Synagogue.

**22 Analysis of net assets between funds**

	<b>Unrestricted income funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 28 February 2018 are represented by:				
Intangible fixed assets	1	-	-	1
Tangible assets	31,072	1,149,095	-	1,180,167
Investments	-	1,222,063	-	1,222,063
Current assets/(liabilities)	304,643	-	158,475	463,118
	<u>335,716</u>	<u>2,371,158</u>	<u>158,475</u>	<u>2,865,349</u>
	<u><u>335,716</u></u>	<u><u>2,371,158</u></u>	<u><u>158,475</u></u>	<u><u>2,865,349</u></u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 28 FEBRUARY 2018***

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**23 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:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Within one year	1,760	1,760
Between two and five years	293	2,053
	<u>2,053</u>	<u>3,813</u>

**24 Cash generated from operations**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Surplus for the year	75,714	55,300
Adjustments for:		
Investment income recognised in statement of financial activities	(8,965)	(20,291)
Fair value gains and losses on investments	15,154	(115,445)
Depreciation and impairment of tangible fixed assets	38,455	41,423
Movements in working capital:		
Decrease in debtors	5,259	3,480
Increase/(decrease) in creditors	15,812	(31,330)
(Decrease)/increase in deferred income	(9,282)	45,410
<b>Cash generated from/(absorbed by) operations</b>	<u>132,147</u>	<u>(21,453)</u>