
WESTMINSTER SYNAGOGUE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

WESTMINSTER SYNAGOGUE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2017

Trustees

Jeffrey Ohrenstein, Chairman
Valery Rees, Vice Chairman
David Goldberg, Senior Warden
Nick Stalbow, Second Warden
Edward Glover, Treasurer
Chris Rees, Joint Hon. Secretary
Ann Fischer, Trustee
Janet Mernane, Joint Hon. Secretary
Abel Halpern
Venetia Willson

Charity registered number

1133190

Principal office

Kent House
Rutland Gardens
London
SW7 1BX

Independent auditors

Nyman Libson Paul
Chartered Accountants
Regina House
124 Finchley Road
London
NW3 5JS

Bankers

National Westminster Bank plc
P.O. Box 6037
London
SW3 1XJ

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their annual report together with the audited financial statements of Westminster Synagogue (the charity) for the year ended 31 December 2017. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES

The objects of the congregation are to provide a centre for Jewish worship and study and to further religious and charitable undertakings appropriate to such a centre.

The following statement of principles and policy was formally adopted by the Synagogue at its third Annual General Meeting on 19 January 1961 to reflect the ideals to which its first Minister, the Rev Dr Harold Reinhart had dedicated his life and to which the Synagogue was and is deeply committed:

PRINCIPLES AND POLICY

Principles

'Our aim is to create a synagogue which will be an instrument for the pursuit of religious truth. We would seek for knowledge and charity and piety. We want a congregation that will be a source of encouragement to human progress and of comfort and inspiration to individual men and women. We would be a congregation of interested active members, personally committed to our Synagogue, accepting the responsibility of membership as a challenge to the best in each of us. We regard our membership as a high privilege, and we will not be content with a synagogue which is less than a vehicle of truth.'

Policy

'For the realisation of our aims we deem it essential that our Synagogue should be the centre of a Holy Congregation of men and women, believing in Judaism as a relevant motivating power in their lives. Through the Synagogue we should participate in the life of Jewry as a whole, and in human endeavour in the wider community.

'We believe that such a synagogue should be a democratic society in which practice and procedure are determined by the members themselves, and we are conscious of a sense of congregational responsibility to interpret courageously our heritage, and to adventure in our religious expression. In our services we strive to give voice to the authentic Jewish tradition expressed in a manner suitable to our times.

'Our membership subscription is set at a figure which we consider realistic in the contemporary world, and appropriate for a seriously interested person of moderate means. Members are asked to bear a proper share of the necessary expense of maintaining the Synagogue. Some will be able to pay more, others less. The amount itself is not important – significance lies in the token of seriousness of commitment.

'We would avoid commercialisation in our congregational management. While we appreciate the need to direct our affairs in a business-like manner, we are determined that our congregation shall not be conducted as a business, that no services or privileges shall be bought or paid for, and that all members shall have precisely the same rights, duties and responsibilities.

'We offer our services to all who wish for them, in the belief that the more we give, the more we shall ourselves possess. It may then be asked: if our services are available to all people, why become a member? Our answer is that membership signifies personal participation in a dedicated effort to safeguard our Jewish tradition and serve our Jewish ideal.

'We know that a true synagogue is one in which the members participate in congregational prayer and study and

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maintain a humane administration. We attest our need for such a synagogue and our will to achieve it.'

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Synagogue was established on 29 October 1957 as an unincorporated, excepted charity. It is governed by its laws contained in the constitution adopted 18 March 2004 as amended 21 May 2009, 25 May 2010 and 19 May 2016. The Synagogue registered with the Charity Commission on 8 December 2009.

The management of the Synagogue is undertaken by its Executive and Council.

Method of Appointment or Election of The Executive

The constitution provides that the Executive is empowered with taking all day to day decisions in Westminster Synagogue's affairs and its voting members constitute the Synagogue's Charity Trustees. The Executive is elected by the Council subject to confirmation by members in General Meeting. The members of the Executive, who may not exceed eleven in number, are the Chairman, Vice-Chairman, Treasurer, Hon. Secretary, Senior Warden and Second Warden, (the offices of Treasurer and Hon. Secretary may each be held jointly by two people) and up to three other members elected as Trustees. The Executive is accountable to the Council which could, in a proper case, dismiss the entire Executive. The Executive is obliged, where practicable, to consult with and take note of the Council's opinions in connection with religious and a number of other specified matters.

Method of Appointment or Election of Council

Members of the Council are elected by members of the Synagogue in General Meeting. The Council consists of not less than three and no more than twelve elected members of the congregation. Each member of the Council must be nominated in writing by two other members of the congregation. The Council also comprises a President (elected by members at a General Meeting), and up to seven Vice-Presidents, nominated by the Executive and elected by members of the congregation in General Meeting, and the members of the Executive.

Organisational Structure and Decision Making

The Council and Executive meet at regular intervals during the year.

Sub-committees are appointed from time to time. They report back to the Executive with their findings.

Paid members of staff have been appointed by the Executive to manage the day-to-day operations of the Synagogue.

Systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

- An annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, budget variances and non-performance indicators;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

Risk Management

The Trustees have identified and actively review the major risks to which the Synagogue is exposed as follows:

- Significant loss of membership and the consequential effect on subscription and donation income;
- Health and safety;
- Security;
- Normal employment and public liability risks;
- Reputational risks arising from incidents in the above categories.
- Loss of spiritual and/or lay leadership.

The Trustees are satisfied that systems and procedures are in place to mitigate the synagogue's exposure to the

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major risks where possible.

At the 2017 Annual General Meeting, Rabbi Benji Stanley was appointed as Minister of the Congregation to succeed Rabbi Thomas Salamon, who has led the Synagogue with notable success since 1997. Rabbi Stanley joined the Synagogue at the end of October 2017 and has been welcomed by the community. Rabbi Salamon will leave the full time employment of the Synagogue following the forthcoming 2018 Annual General Meeting but it is hoped that he will subsequently return as Emeritus Rabbi on a part time basis.

In April 2017 Mrs Renee Salamon, who has served the community with distinction in a number of roles on a consultancy basis, stood down as Interim General Manager and the Synagogue appointed Mr Gary Sakol as its first Executive Director.

With the two appointments set out above, The Synagogue believes that it is well placed for the future.

Policies Adopted for the Identification, Induction and Training of New Trustees

The Synagogue has established a Nominations and Mentoring Committee to identify, encourage and support prospective future trustees and leaders of the community. On appointment, new trustees are provided with a briefing pack and an induction session with an existing trustee and will continue to have access to previous post holders for guidance.

ACTIVITIES AND PERFORMANCE

Activities

The Synagogue seeks to attain its objectives through the provision of the following:

- Regular services for the Jewish Sabbath and religious festivals. Some services may be adapted to the needs of the children of members both up to and beyond the age of Barmitzvah or make particular provision for the participation of children and parents together.
- Education in the beliefs and practices of the Jewish faith for children, young people and adults including those not of the Jewish faith but who wish to adopt it.
- A vibrant cultural and social programme with an emphasis on the pastoral care of members.
- A well-stocked library of books of Jewish interest. The books range from those of a religious and philosophical nature, through those covering Jewish history and novels. It includes a children's library of over 500 books.
- Engagement with the broader community including a commitment to inter-faith activities and the promotion of mutual understanding between people of different faiths and none.

Public Benefit Provision

The Synagogue has adhered to its stated policy to ensure that while setting standard levels of subscription, these are tailored according to means where necessary. Fund raising for its own funds often includes some provision for another charity in accordance with the general religious obligation for Jews to give to charity.

In addition to its services to its members, the Synagogue has provided the following to the wider public:

- The Synagogue has provided a meeting place for other Jewish organisations, generally open to the wider public.
- Members of the public are welcome at all the Sabbath and festival services conducted at the synagogue.
- They are also invited to and welcome at cultural and social events held at the synagogue.
- The Synagogue reaches out to other faith organisations and organises events with them to foster inter-faith understanding.

The take-up by non-members of all the above activities has been strong throughout the year.

Performance Measurement

The nature of a religious community is such that its successes and achievements cannot be measured satisfactorily by standard charity metrics. The size of its membership or numbers attending services do not in themselves indicate the importance of the congregation in the lives of its members or the spiritual guidance and

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comfort it may provide.

Nevertheless, if the above measures are the only available proxy for assessing success, then the Synagogue may consider itself successful. During the course of the year under review,

- Membership numbers fell modestly from 684 at 31 December 2016 to 671 at 31 December 2017 and had recovered to 681 by 31 March 2018.
- Service attendance increased remained good particularly on Sabbath evenings and the festivals of New Year and the Day of Atonement, through the provision of children- and family-orientated services.
- In 2017 there were xxx weddings and marriage blessings; xx B'nei Mitzvot and xxx baby/infant blessings took place under the auspices of the Synagogue. XXX people were admitted to the Jewish faith, following instruction in its education programme.
- A significant number of cultural events took place, some within the framework of an outreach programme for young Jewish people not committed to synagogue membership (Westminster Young Professionals), as well as a mentoring programme.

FINANCIAL REVIEW

Results for the Financial Year Ended 31 December 2017

For 2016 the Synagogue experienced a deficit of £18,199 in respect of its Unrestricted Funds, which are those related to its general activities and not subject to donor limitations. Although it is always disappointing to experience a loss, it will be recalled that there was a surplus of £59,691 in 2016 when there had been a major fundraising dinner. Taking this into account, the result may be considered reasonably satisfactory. Income reduced as expected but costs were controlled.

However, when Restricted Funds are taken into consideration, the deficit was £77,568. There was significant expenditure from Restricted Funds of £13,702 from the Rabbi Transition Fund created to defray the costs of having two Rabbis in full time employment for a handover period, and £43,835 from the Ottensooser Bequest to fund capital expenditure, particularly in relation to the front garden, not covered by specific donations. The Synagogue believes that it presents a clearer picture to members to 'write-off,' or record as a deficit, most cash expenditure in the year in which it is incurred even if, as in the case of the garden, the benefit may accrue over a number of years. Against this background, the total deficit for the year may be considered acceptable.

Financial Outlook

The Synagogue is funded by a combination of members' subscriptions, rental from leasing areas of its building when such leasing does not conflict with the Synagogue's activities, and donations and legacies from members and others. In some years income may benefit from specific fundraising initiatives such as regular appeal dinners.

The Trustees are conscious that recurring income, provided by membership subscriptions and other predictable sources such as rent, does not meet annual outgoings. In a period of financial austerity, they have not increased subscriptions for most members in recent years and made significant reductions in the rates applicable to younger members. However, a resumption of increases is anticipated from the membership year starting 1 May 2019.

As has been the case for most of the Synagogue's existence, the shortfall between recurring income and expenditure has been made good by the generosity of members through special appeals. However, in common with many charitable organisations the net income from events such as fundraising dinners has been coming under pressure. To offset the impact of this, a Patrons' Programme was launched in 2016 which has made a material contribution to the Synagogue's income over each of the last two years and ensured its financial stability.

Against this background, the Treasurer has initiated work on a five year financial plan for the period from 1 January 2019 to ensure that over that period the Synagogue can continue to provide the range of activities for all age groups needed for the community to flourish.

Material Investments and Reserves Policy

The Trustees seek to ensure that the Synagogue has reserves held in cash or readily realisable assets which (a) can meet identified current or future exceptional future operational requirements: examples of funds held for these purposes include the Rabbi Transition Fund and Building Designated Fund; (b) would enable it to arrange

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an orderly reduction of services provided to members together with associated staff redundancies in the event of a significant decline in either recurring income or donations; (c) would allow significant capital expenditure if this were to provide material benefit to the community.

The trustees consider that the reserves held for items (a) and (b) above are adequate for the purpose but at the lower end of the desirable range; increasing these reserves will be a consideration of the five year financial plan noted above. The Ottensooser Bequest may not be used for day to day expenditure. In addition to the funds held at 31 December 2017, the Trustees are aware that a second instalment of the Bequest is to be received. However, as the source of the funds represents a share in a property outside the United Kingdom and its monetary value is subject to realisation of the asset (in unhelpful market conditions), payment of local taxes and currency fluctuations, the trustees do not consider it appropriate to create a debtor for it in the 2017 accounts. Nevertheless, taken in its expected entirety, The Ottensooser Bequest is considered adequate as a reserve for anticipated capital expenditure.

Taking all these matters into account, the Trustees are of the opinion that, as at the balance sheet date, assets and reserves are sufficient to meet the Synagogue's foreseeable obligations. The current investment policy of the Synagogue is to restrict investments to deposits with banks with external credit ratings of not worse than A-. This policy is intended to provide minimal risk of capital losses, albeit returns are limited in the light of prevailing low interest rates.

The Synagogue does not hold any funds as custodian.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements 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.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Edward Glover, Treasurer

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WESTMINSTER SYNAGOGUE

Opinion

We have audited the financial statements of Westminster Synagogue (the 'charity') for the year ended 31 December 2017 set out on pages 6 to 24. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statements of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WESTMINSTER SYNAGOGUE

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WESTMINSTER SYNAGOGUE

determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Nyman Libson Paul

Chartered Accountants
Statutory Auditors

Regina House
124 Finchley Road
London
NW3 5JS
Date:

Nyman Libson Paul are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds as restated 2016 £
Income from:					
Donations and legacies	2	610,001	83,104	693,105	1,043,994
Other trading activities	3	202,811	-	202,811	309,637
Investments	4	971	-	971	4,151
Total income		<u>813,783</u>	<u>83,104</u>	<u>896,887</u>	<u>1,357,782</u>
Expenditure on:					
Raising funds	5	148,207	-	148,207	198,849
Charitable activities	6,7	683,775	142,473	826,248	814,943
Total expenditure	9	<u>831,982</u>	<u>142,473</u>	<u>974,455</u>	<u>1,013,792</u>
Net income / (expenditure) before other recognised gains and losses		(18,199)	(59,369)	(77,568)	343,990
Net movement in funds		(18,199)	(59,369)	(77,568)	343,990
Reconciliation of funds:					
Total funds brought forward		<u>1,094,110</u>	<u>770,516</u>	<u>1,864,626</u>	<u>1,520,636</u>
Total funds carried forward		<u>1,075,911</u>	<u>711,147</u>	<u>1,787,058</u>	<u>1,864,626</u>

The notes on pages 9 to 24 form part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	14		1,149,750		1,154,159
Current assets					
Debtors	15	68,768		86,644	
Cash at bank and in hand		<u>735,157</u>		<u>820,905</u>	
		803,925		907,549	
Creditors: amounts falling due within one year	16	<u>(138,010)</u>		<u>(161,332)</u>	
Net current assets			<u>665,915</u>		<u>746,217</u>
Total assets less current liabilities			1,815,665		1,900,376
Creditors: amounts falling due after more than one year	17		<u>(28,607)</u>		<u>(35,750)</u>
Net assets			<u><u>1,787,058</u></u>		<u><u>1,864,626</u></u>
Charity Funds					
Restricted funds	18		711,147		770,516
Unrestricted funds	18		<u>1,075,911</u>		<u>1,094,110</u>
Total funds			<u><u>1,787,058</u></u>		<u><u>1,864,626</u></u>

The financial statements were approved by the Trustees on and signed on their behalf, by:

The notes on pages 9 to 24 form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	<u>(86,719)</u>	<u>354,194</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		971	4,151
Proceeds from the sale of tangible fixed assets		<u>-</u>	<u>(12,618)</u>
Net cash provided by/(used in) investing activities		<u>971</u>	<u>(8,467)</u>
Change in cash and cash equivalents in the year		(85,748)	345,727
Cash and cash equivalents brought forward		<u>820,905</u>	<u>475,178</u>
Cash and cash equivalents carried forward	21	<u><u>735,157</u></u>	<u><u>820,905</u></u>

The notes on pages 9 to 24 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Westminster Synagogue constitutes a public benefit entity as defined by FRS 102.

1.2 Preparation of accounts on a going concern basis

The trustees have reviewed the circumstances of the charity, and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Subscription income is recognised over the membership year (May to April), starting from the date of receipt.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Education income is recognised on receipt.

Rental income is recognised over the period in which it is earned.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense 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 objects of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £3,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Nil
Fixtures and fittings and equipment	-	Straight line basis over 3 years

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The charity's freehold property comprises land and buildings including subsequent improvements to the property.

Depreciation is not charged on the land element, which is instead subject to impairment review.

No depreciation charge is made against the building and improvements as it is considered that the residual value of these is at least as great as the carrying value and not materially different to cost.

The charity operates a rolling repairs and maintenance programme to prolong the useful life of the property and to ensure that the above policy continues to be appropriate.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Financial instruments

The synagogue only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds as restated 2016 £
Subscriptions	336,915	-	336,915	344,068
Tax recovered	73,941	-	73,941	71,952
Donations and sundry	166,274	83,104	249,378	580,112
Education donations	6,147	-	6,147	18,489
School security	26,724	-	26,724	29,373
	<u>610,001</u>	<u>83,104</u>	<u>693,105</u>	<u>1,043,994</u>
Total donations and legacies				
	<u>610,001</u>	<u>83,104</u>	<u>693,105</u>	<u>1,043,994</u>
<i>Total 2016</i>	<u>630,113</u>	<u>413,881</u>	<u>1,043,994</u>	

3. Fundraising income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds as restated 2016 £
Fundraising	27,667	-	27,667	16,656
Rent, venue hire & events	125,843	-	125,843	148,645
Sundry income	5,652	-	5,652	5,840
Education	35,129	-	35,129	33,273
Appeal dinner	1,520	-	1,520	98,156
Columbarium	7,000	-	7,000	7,067
	<u>202,811</u>	<u>-</u>	<u>202,811</u>	<u>309,637</u>
	<u>202,811</u>	<u>-</u>	<u>202,811</u>	<u>309,637</u>
<i>Total 2016</i>	<u>309,637</u>	<u>-</u>	<u>309,637</u>	

4. Investment income

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
	=			
Interest received	<u>971</u>	<u>-</u>	<u>971</u>	<u>4,151</u>
	=			
<i>Total 2016</i>	<u>3,312</u>	<u>839</u>	<u>4,151</u>	

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Costs of raising funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds as restated 2016 £
Repairs and maintenance	1,236	-	1,236	2,674
Insurance	9,330	-	9,330	10,941
Printing and stationary	3,937	-	3,937	5,638
Telephone and postage	1,101	-	1,101	1,171
Consultancy and professional fees	35,996	-	35,996	53,004
Cost of Appeal Dinner	2,628	-	2,628	38,769
Accountancy and bookkeeping	10,986	-	10,986	11,492
Wages and salaries	82,993	-	82,993	75,160
	<u>148,207</u>	-	<u>148,207</u>	<u>198,849</u>
	<u>198,849</u>	-	<u>198,849</u>	
<i>Total 2016</i>		-	<u>198,849</u>	

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Direct costs

	Total 2017 £	Total as restated 2016 £
Fundraising, venue & events costs	47,623	48,782
Lighting, heating and water rates	17,354	20,039
Travel and subsistence	3,702	3,674
Organist and singers	17,702	16,424
Security	18,569	17,115
Religion school	19,756	26,057
Consultancy	3,696	4,429
Repairs and maintenance	43,086	65,789
Garden project - restricted	105,985	103,824
Insurance	9,330	10,941
Printing, postage, stationery and telephone	9,271	11,429
Recruitment	14,848	4,320
Accounting and bookkeeping	10,985	11,493
Affiliation scheme	7,657	6,119
Miscellaneous expenses	24,539	15,752
Equipment	3,860	3,507
Prayer books	53	3,607
Rent to MST	1,500	-
Restricted fund expenditure (note 18)	18,777	22,493
Wages and salaries	287,816	262,784
National insurance	26,346	22,270
Pension cost	20,473	18,000
Depreciation	4,009	4,504
	716,937	703,352
<i>At 31 December 2016</i>		703,352

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Support costs

	Total 2017 £	Total 2016 £
Security	18,568	17,114
Telephone and postage	3,905	4,151
Accounting and bookkeeping	5,493	5,746
Computer running costs	11,357	9,008
Miscellaneous and other expenses	12,122	11,035
Legal fees	4,871	13,091
Bank charges and interest	2,622	2,614
Columbarium	2,532	2,288
Wages and salaries	38,077	34,320
National insurance	3,424	3,264
	<u>102,971</u>	<u>102,631</u>
<i>At 31 December 2016</i>	<u>102,631</u>	

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Governance costs

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds as restated 2016 £
	=			
	<u>6,340</u>			
Governance Auditors' remuneration	<u>6,340</u>	<u>-</u>	<u>6,340</u>	<u>8,960</u>

In 2016, of total governance costs, £8,960 was from unrestricted funds, £NIL from restricted funds.

9. Analysis of Expenditure by expenditure type

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	82,993	-	65,214	148,207	198,849
	<u>82,993</u>	<u>-</u>	<u>65,214</u>	<u>148,207</u>	<u>198,849</u>
Costs of generating funds			65,214	148,207	198,849
Direct costs	376,136	4,009	439,763	819,908	805,983
Expenditure on governance	-	-	6,340	6,340	8,960
	<u>459,129</u>	<u>4,009</u>	<u>511,317</u>	<u>974,455</u>	<u>1,013,792</u>
<i>Total 2016</i>	<u>415,798</u>	<u>4,504</u>	<u>593,490</u>	<u>1,013,792</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
	=			
	<u>716,937</u>			
Direct costs	<u>716,937</u>	<u>102,971</u>	<u>819,908</u>	<u>805,983</u>
<i>Total 2016</i>	<u>716,937</u>	<u>102,631</u>	<u>819,568</u>	

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	4,409	4,504
Auditors' remuneration - audit	<u>6,340</u>	<u>8,960</u>

During the year, no Trustees received any remuneration or benefits in kind (2016 - £NIL).
Expenses reimbursed to Trustees in the year amounted to £NIL (2016 - £73)

12. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £6,340 (2016 - £8,960).

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	402,039	365,736
Social security costs	36,617	32,062
Other pension costs	20,473	18,000
	<u>459,129</u>	<u>415,798</u>

The average number of persons employed by the charity during the year was as follows:

	2017 No.	2016 No.
Education	3	3
Building Management	5	5
Synagogue Administration	3	3
	<u>11</u>	<u>11</u>

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

The charity considers its key management personnel to comprise three people. Total employment benefits including employer's pension contributions for key management personnel were £170,569 (2016: £105,662).

Allocation of staff costs

	2017 £	2016 £
Costs of generating income	82,993	75,160
Direct costs	334,636	303,054
Support costs	41,500	37,584
Total	<u>459,129</u>	<u>415,798</u>

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

14. Tangible fixed assets

	Freehold property £	Plant and machinery £	Computer equipment £	Total £
Cost				
At 1 January 2017 and 31 December 2017	<u>2,470,771</u>	<u>48,472</u>	<u>18,404</u>	<u>2,537,647</u>
Depreciation				
At 1 January 2017	1,345,641	37,447	400	1,383,488
Charge for the year	<u>-</u>	<u>4,009</u>	<u>400</u>	<u>4,409</u>
At 31 December 2017	<u>1,345,641</u>	<u>41,456</u>	<u>800</u>	<u>1,387,897</u>
Net book value				
At 31 December 2017	<u>= 1,125,130 =</u>	<u>= 7,016 =</u>	<u>= 17,604 =</u>	<u>1,149,750</u>
At 31 December 2016	<u>= 1,125,130 =</u>	<u>= 11,025 =</u>	<u>= 18,004 =</u>	<u>1,154,159</u>

15. Debtors

	2017 £	2016 £
Trade debtors	31,802	23,836
Prepayments and accrued income	36,966	62,808
	<u>68,768</u>	<u>86,644</u>

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	14,647	13,630
Memorial Scrolls deferred income	7,143	7,143
Other taxation and social security	12,835	10,207
Other creditors	13,712	11,525
Accruals and deferred income	89,673	118,827

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	138,010	161,332
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17. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Memorial Scrolls deferred income	28,607	35,750

Creditors include amounts not wholly repayable within 5 years as follows:

	2017 £	2016 £
Repayable by instalments	-	7,179

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Balance at 31 December 2017 £
Designated funds				
Designated Building fund	202,122	-	-	202,122
General funds				
General Funds	891,988	813,783	(831,982)	873,789
Total Unrestricted funds	1,094,110	813,783	(831,982)	1,075,911
Restricted funds				
Ottensooser Bequest	277,015	-	(43,835)	233,180
Restricted Building fund	279,678	-	-	279,678
Library Fund	5,984	-	(3,838)	2,146
Rabbis discretionary fund	21,465	9,801	(13,250)	18,016
Special project fund	17,429	68,303	(66,948)	18,784
Education Fund	61,250	5,000	-	66,250
Rabbis Transition Fund	104,340	-	(13,702)	90,638
Prayer Book Fund	3,355	-	(900)	2,455
	770,516	83,104	(142,473)	711,147

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Total of funds	<u>1,864,626</u>	<u>896,887</u>	<u>(974,455)</u>	<u>1,787,058</u>
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WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2016 £
Designated funds					
Designated Building fund	162,122	-	-	40,000	202,122
	<u>162,122</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>202,122</u>
General funds					
General Funds	872,297	943,062	(883,371)	(40,000)	891,988
	<u>872,297</u>	<u>943,062</u>	<u>(883,371)</u>	<u>(40,000)</u>	<u>891,988</u>
Total Unrestricted funds	<u>1,034,419</u>	<u>943,062</u>	<u>(883,371)</u>	<u>-</u>	<u>1,094,110</u>
Restricted funds					
Ottensooser Bequest	-	380,839	(103,824)	-	277,015
Restricted Building fund	279,678	-	-	-	279,678
Library Fund	6,042	-	(58)	-	5,984
Rabbi's Discretionary fund	11,597	23,131	(13,263)	-	21,465
Special project fund	18,310	10,000	(10,881)	-	17,429
Education Fund	61,250	-	-	-	61,250
Rabbi Transition Fund	104,340	-	-	-	104,340
Prayer Book Fund	5,000	750	(2,395)	-	3,355
	<u>486,217</u>	<u>414,720</u>	<u>(130,421)</u>	<u>-</u>	<u>770,516</u>
Total of funds	<u>1,520,636</u>	<u>1,357,782</u>	<u>(1,013,792)</u>	<u>-</u>	<u>1,864,626</u>

The building fund was established by the Executive to provide monies for the refurbishment and longer term development of the Synagogue building.

The Special Projects fund was set up to account for donations and fundraising income in respect of specific projects, usually on a one-off basis. Any surplus funds in hand after completion of the individual projects are transferred back to general funds.

The Education fund was set up to provide additional funding and resources to support education within the Synagogue.

The Rabbi Transition fund was set up to assist with funding the transitional period arising on the retirement of the Rabbi.

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

18. Statement of funds (continued)

The terms of the Ottensooser Bequest requires the funds to be utilised on capital or other exceptional expenditure of the Synagogue.

Summary of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Balance at 31 December 2017 £
Designated funds	202,122	-	-	202,122
General funds	891,988	813,783	(831,982)	873,789
	<u>1,094,110</u>	<u>813,783</u>	<u>(831,982)</u>	<u>1,075,911</u>
Restricted funds	770,516	83,104	(142,473)	711,147
	<u>1,864,626</u>	<u>896,887</u>	<u>(974,455)</u>	<u>1,787,058</u>

Summary of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Balance at 31 December 2016 £
Designated funds	162,122	-	-	202,122
General funds	872,297	943,062	(883,371)	891,988
	<u>1,034,419</u>	<u>943,062</u>	<u>(883,371)</u>	<u>1,094,110</u>
Restricted funds	486,217	414,720	(130,421)	770,516
	<u>1,520,636</u>	<u>1,357,782</u>	<u>(1,013,792)</u>	<u>1,864,626</u>

WESTMINSTER SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	870,072	279,678	1,149,750
Current assets	372,456	431,469	803,925
Creditors due within one year	(138,010)	-	(138,010)
Creditors due in more than one year	(28,607)	-	(28,607)
	<u>1,075,911</u>	<u>711,147</u>	<u>1,787,058</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	874,481	279,678	1,154,159
Current assets	416,711	490,838	907,549
Creditors due within one year	(161,332)	-	(161,332)
Creditors due in more than one year	(35,750)	-	(35,750)
	<u>1,094,110</u>	<u>770,516</u>	<u>1,864,626</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(77,568)	343,990
Adjustment for:		
Depreciation charges	4,409	4,504
Dividends, interest and rents from investments	(971)	(4,151)
Decrease/(increase) in debtors	17,876	(11,092)
(Decrease)/increase in creditors	<u>(30,465)</u>	<u>20,943</u>
Net cash (used in)/provided by operating activities	<u>(86,719)</u>	<u>354,194</u>

21. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	<u>735,157</u>	<u>820,905</u>
Total	<u>735,157</u>	<u>820,905</u>

WESTMINSTER SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

22. Capital commitments

As at the balance sheet date Westminster Synagogue had capital commitments of £nil (2016: £17,632); these related to the project to restore the front garden.

23. Pension commitments

The charity made pension contributions of £20,473 (2016: £18,000). At the year end £Nil (2016: £Nil) was included in creditors.

24. 10 year summary

	Income £	Expenditure £	Deficit £	Donations & Fundraising £	Net Surplus or (Deficit) £
2008	505,544	651,692	(146,148)	107,282	(38,866)
2009	481,276	630,210	(148,934)	224,408	75,474
2010	526,602	638,167	(111,565)	137,782	26,217
2011	523,541	724,528	(200,987)	183,633	(17,354)
2012	598,882	879,983	(281,101)	255,918	(25,183)
2013 (14 months)	655,834	1,028,444	(372,610)	130,520	(242,090)
2014	709,422	857,731	(148,309)	294,464	146,155
2015	523,224	745,328	(222,104)	215,100	(7,004)
2016	682,069	1,013,792	(331,723)	672,713	343,990
2017	619,842	974,455	(354,613)	277,045	(77,568)
Total	<u>5,826,236</u>	<u>8,144,330</u>	<u>(2,318,094)</u>	<u>2,498,865</u>	<u>183,771</u>

The figures in the above summary reflect the accounting policies in place for the financial period in question and have not been restated.

25. Related party transactions

There are no related party transactions in the reporting period that require disclosure.