

**THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)**

**Registered Charity No. 1117623
Registered Company No. 6019045**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

TUESDAY



A34 *A1GS22UW* #128
COMPANIES HOUSE

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THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2011

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THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2011

Company Number. 6019045

Charity Number: 1117623

Directors and Trustees:

P Abrahams
L Alexander
A Allan
S Arnold
S Black
M Dashwood
L Endelman
M Freed
L Gelernter
B Goldberg
M Michaelson
J Mitchell
S Saunders
H Segal
D Shear
S Trober
S Veronique

Secretary H Segal

Registered Office Stream Lane
Edgware
Middx
HA8 7YA

Bankers: Barclays Bank plc
126 Station Road
Edgware
Middx
HA8 7RY

Auditors Maurice Apple
Chartered Accountants
3rd Floor Marlborough House
179-189 Finchley Road
London
NW3 6LB

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31st DECEMBER 2011

The Directors who are also the Trustees of the Charity present their Annual Report and the audited financial statements of The Edgware Masorti Synagogue for the year ended 31st December 2011. The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charitable Company's Memorandum and Articles, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (revised 2005).

The Charitable Company undertakes the charitable activities of The Edgware Masorti Synagogue.

Structure, Governance and Management

Governing document

The Edgware Masorti Synagogue is a company limited by guarantee governed by its Memorandum and Articles of Association dated 5th December 2006. It is registered as a Charity with the Charity Commission, number 1117623.

Director Appointment, Induction and Training

Directors are appointed each year at the Annual General Meeting of the Charitable Company and the first meeting of the Board is called shortly thereafter at which Directors receive specific responsibilities and appropriate induction and training. The Board meets monthly together with the Rabbi who is an 'ex officio' member of the Board.

Five Directors are elected each year by the Synagogue membership to the specific offices of Co-Chairpersons (two), Treasurer, Secretary and Warden. These five make up the Executive Committee of the Board and are empowered to make appropriate day to day management decisions. The Executive Committee meets monthly.

Appointed Directors

The Executive Officers who served during the period under review were

Mr John Mitchell	Co-Chair
Mrs Barbara Goldberg	Co-Chair
Mrs Hilary Segal	Secretary
Mr Selwyn Arnold	Treasurer
Mr Daniel Shear	Warden

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2011

Other Directors who served during the period under review were

	Appointed	Resigned
Mr Paul Abrahams		
Mrs Liane Alexander		
Mr Anthony Allian	11 th July 2011	
Mr Stephen Black		
Mr Michael Dashwood		
Mrs Laurel Endelman	11 th July 2011	
Mr Michael Freed		
Mr Henry Hantman		6 th June 2011
Mrs Linda Gelernter		
Mr Michael Leigh		6 th June 2011
Mrs Michelle Michaelson		
Mr Stephen Saunders		
Mr Simon Trober		
Mr Sydney Veronique	11 th July 2011	

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

Risk Management

The directors have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and Activities

The Charitable Company is an associate member of the Assembly of Masorti Synagogues. The Charitable Company's object and principal activity is to represent a community of Jews practising traditional Judaism as understood and interpreted by the Masorti Movement.

Public Benefit Statement

In accordance with Section 4 of the Charities Act 2006, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to continue maintaining its principal objects of representing the Jewish Community with particular focus on promoting and supporting Jewish religious activity in Edgware and the surrounding areas.

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31st DECEMBER 2011

Achievements and Performance

The general trend has been that the Synagogue continues to grow its membership and meet the needs of a religious community based in the local Edgware area

Financial Review

The accounts for the period are set out in the attached documents. The Statement of Financial Activities show a net deficit of £24,622 (2010 £15,993) and our reserves stand at £822,890 (2010 £847,512) in total. The restricted and designated funds are shown in notes 16 and 17.

Investment Policy

Under the Memorandum & Articles of Association, the Charitable Company has the power to make any investment which the Directors see fit. However, the charity's main resource is generally working capital and short term fund holding of monies for charitable use and funds are held where possible on short term interest bearing deposit accounts, the return of which the trustees consider to be satisfactory.

Reserves Policy

The reserves are set out in the Balance Sheet and accompanying notes. The Synagogue's principal asset is its building which is subject to a term loan from the Bank as shown in the Balance Sheet and on which interest is paid out of the general fund. The present level of funding is sufficient to support the activities of the Synagogue which depends on the level of membership fees and donations being maintained. As stated in the Accounting Policies, the Directors have secured bank facilities to secure the Charity. The unrestricted reserves are maintained at current levels to maintain positive cash flow and to meet any contingencies requiring immediate expenditure.

Plans for the Future

The Synagogue continues in its endeavours to increase the size of the Community and is doing so through the appointed Membership Secretary as well as holding advertised open days.

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2011

Directors' Responsibilities in Relation to the Financial Statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to the Auditors

- a so far as the Directors are aware, there is no relevant information of which the Charitable Company's auditors are unaware and
- b they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's Auditors are aware of that information

Auditors

Maurice Apple, Chartered Accountants acted as the Charitable Company's auditors during the year and have expressed their willingness to continue in that capacity

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (revised 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities

Approved by the board of directors on 11th June 2012 and signed on its behalf by



David Grossman - Director



Selwyn Arnold - Director

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TREASURER
FOR THE YEAR ENDED 31ST DECEMBER 2011

2011 Financial Statements

The 2011 Financial Statements report an extremely worrying outcome in that a deficit was incurred of £18,480 and the Unrestricted Funds were depleted by this amount as disclosed in the Statement of Financial Activities on Page 8. Gross income has remained static for the past three years and an analysis is disclosed on Page 16. The financing of the Synagogue has been supported by increasing its banking facilities by way of a further loan of £20,000 and an overdraft facility, the latter of which has not to date been used. In addition a temporary unsecured loan has been advanced by a member of the Synagogue to support the financing of the Synagogue's activities. In obtaining the bank financing, costs amounting to £6,141 were incurred, including a formal valuation of the property, legal costs to regulate the Bank's security and bank charges. The property was valued in the sum of £1,000,000.

The Events Committee has organised various fundraising activities during the year and the Finance Committee has been instrumental in reviewing the overheads of the Synagogue. In addition, Sydney Veronique has been investigating sources of grants from other Charitable Institutions the Synagogue can apply for. The work of the committees and Mr Veronique are ongoing and are essential to the sustainability of the Synagogue. However, it must be the responsibility of all the members of the Synagogue to supplement these activities financially and by supporting various events. The Council and I realise that in these difficult financial times, this is not possible for all members. In those circumstances, any voluntary assistance that can be provided in assisting the operation of the Synagogue's various activities will be greatly appreciated.

I would like to thank all those who have assisted during the year in various ways in the financial operation of the Synagogue.

2012 and 2013 Budget

It has become apparent from the financial constraints that have been experienced, the funds being generated by the Synagogue becoming insufficient to sustain the Synagogue, its activities and its financial commitments. Therefore the 2012 & 2013 Budgets are being presented in a different format to those of previous years. They are in the format of an integrated projected Income & Expenditure Account and Funds Flow Statement. Although surpluses are projected, the funds flow projections indicate the existing funding facilities of the Synagogue will be under severe pressure. As members of the synagogue, this is a collective responsibility of all of us and I therefore repeat my request for member's active support in ensuring the financial sustainability of the synagogue so that it can continue to provide the same level of services and support for our members.



Selwyn Arnold – Hon Treasurer
Date 11th June 2012

THE EDGWARE MASORTI SYNAGOGUE
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE EDGWARE MASORTI SYNAGOGUE

We have audited the financial statements of The Edgware Masorti Synagogue for the year ended 31st December 2011, on pages 8 to 15 The financial reporting framework that has been applied in their preparation is applicable law and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the trustees who are also the directors of the charitable company for the purposes of company law are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006 Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of the significant accounting estimates made by the trustees and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the directors' annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2011 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 the requirements of the Companies Act 2006

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Directors' Annual Report is inconsistent in any material respect with the financial statements, and
- the charitable company has not kept adequate accounting records, 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

Allan Myers, Senior Statutory Auditor

For and on behalf of
Maurice Apple
Chartered Accountants
Statutory Auditor
3rd Floor Marlborough House
179-189 Finchley Road
London
NW3 6LB

12th June 2012

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATES INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2011

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2/16	249,066	-	3,527	252,593	257,911
Activities for generating funds	3	21,982	-	-	21,982	20,943
Investment income		-	-	-	-	12
Incoming resources from charitable activities	4	12,735	-	-	12,735	13,453
Total incoming resources		283,783	-	3,527	287,310	292,319
Resources expended						
Cost of generating funds	5	4,648	-	-	4,648	7,236
Charitable activities	6/16	294,145	-	2,012	296,157	296,234
Governance costs	7	11,127	-	-	11,127	4,842
Total resources expended		309,920	-	2,012	311,932	308,312
Net income/(expenditure) for the year before transfers		(26,137)	-	1,515	(24,622)	(15,993)
Transfers						
Gross transfers between funds		7,657	(7,657)	-	-	-
Net movement in funds for the year		(18,480)	(7,657)	1,515	(24,622)	(15,993)
Reconciliation of funds						
Total funds at 1 January 2011		217,342	612,681	17,489	847,512	863,505
TOTAL FUNDS CARRIED FORWARD AT 31ST DECEMBER 2011	18	198,862	605,024	19,004	822,890	847,512

There are no recognised gains or losses arising in the year other than those disclosed in the above Statement of Financial Activities

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
31ST DECEMBER 2011

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		885,591		899,846
CURRENT ASSETS					
Debtors	12	23,430		14,388	
Cash at bank and in hand		804		1,534	
		<u>24,234</u>		<u>15,922</u>	
CREDITORS Amounts falling due within one year	13	<u>48,198</u>		<u>39,185</u>	
NET CURRENT ASSETS			<u>(23,964)</u>		<u>(23,263)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			861,627		876,583
CREDITORS Amounts falling due after more than one year	14		<u>38,737</u>		<u>29,071</u>
			<u>822,890</u>		<u>847,512</u>
RESERVES					
Unrestricted funds			198,862		217,342
Restricted funds	16		19,004		17,489
Designated Funds	17		<u>605,024</u>		<u>612,681</u>
	18		<u>822,890</u>		<u>847,512</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board of Directors and signed on its behalf



David Grossman - Director



Selwyn Arnold - Director

Date 12th June 2012
Company Registration Number 6019045

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

1 ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets, and in accordance with the Companies Act 2006, with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005)

Going concern

The Financial Statements have been prepared on a going concern basis. The Directors are satisfied that extra funds will be available to meet all future obligations. The current assets exceed the Restricted Funds and the Directors have secured facilities to secure the Charity.

(b) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when receivable. Donations receivable for the general purposes of the Charity are included in unrestricted funds. Donations for specific activities are taken to restricted funds.
- Activities for generating funds include fundraising and rental income and are accounted for on the basis of when receivable.
- Legacies are recognised in the financial statements only upon certainty of entitlement and value.
- Volunteer time is not included in the financial statements.

(c) Investment income

Income from investment is recognised in the year in which it is receivable.

(d) Resources expended

Resources expended are accounted for on an accruals basis and include attributable VAT which cannot be recovered. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the Charity.

(e) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are expensed on a straight line basis over the period of the lease.

(f) Donated assets

Assets given for use by the Charity are recognised as donations in the statement of financial activities in the year of receipt. Where the exact value of the asset is not known, the assets are included at the directors' estimate of the value at the time of the donation.

(g) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- not provided
Fixtures, fittings & equipment	- 20% on straight line
Religious equipment	
Scrolls & silverware	- 10% on reducing balance
Other religious equipment	- 20% on straight line

The freehold property has not been depreciated as in the opinion of the directors, the value of the freehold property has been maintained.

(h) Bank interest received

All bank interest received on bank accounts held for specific funds is credited to restricted funds. All other bank interest received is credited to unrestricted funds.

2 Voluntary income

	2011	2010
Donations	24,338	27,732
Subscription fees and levies	183,840	176,265
Tax recoverable	40,888	44,938
	<u>£ 249,066</u>	<u>£ 248,935</u>

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2011

	2011	2010
3 Activities for generating funds		
Bridge club	4,000	2,500
Kiddushim	4,655	5,349
Fund raising events	6,373	5,282
Other events	6,954	7,812
	£ 21,982	£ 20,943
4 Incoming resources from charitable activities		
Religious events, trips etc	7,762	7,796
Or Hadash	2,885	3,345
Board of deputies' contributions	2,088	2,312
	£ 12,735	£ 13,453
5 Costs of generating funds		
Kiddushim	3,020	3,928
Costs of materials etc for fundraising	1,628	3,308
	£ 4,648	£ 7,236
6 Cost of activities in furtherance of the Charity's objects		
Staff costs	157,304	157,120
Burial society fees	24,580	21,904
Subscriptions	17,186	17,215
Other catered events	3,144	4,088
Or Hadash	1,870	1,732
Education costs	7,189	9,024
Bad debts	2,516	6,003
Religious events and incidental costs	11,009	8,180
Board of deputies' contributions	2,348	2,801
Office expenses	8,277	9,233
Hire of equipment	3,654	1,335
Finance costs	2,367	1,359
Running costs of synagogue	52,701	50,232
	£ 294,145	£ 290,226
6a Staff costs		
Salaries	123,464	122,333
Social security costs	10,103	12,411
Other employee costs	23,737	22,376
	£ 157,304	£ 157,120
Average number of employees	15	15
7 Governance costs		
Audit fees	6,056	4,842
Legal fees	5,071	-
	£ 11,127	£ 4,842

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

8 Net incoming (outgoing) resources for the year

This is stated after charging	2011	2010
	£	£
Depreciation	15,283	15,505
Auditors' remuneration	6,056	4,842
	<u> </u>	<u> </u>

9 Directors Remuneration and related party transactions

No Director received any remuneration during the year

No Director or any other person related to the Chanty had any personal interest in any contract or transaction entered into by the Chanty during the year

10 Taxation

As a Chanty, The Edgware Masorti Synagogue is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Chanty.

11 Tangible fixed assets

	Freehold property	Fixtures, Fittings, etc	Religious Equipment Scrolls & Silverware	Religious Equipment Others	Totals
COST or VALUATION					
Brought forward - 1st January 2011	847,339	52,727	56,007	4,344	960,417
Additions	-	892	-	136	1,028
At 31st December 2011	<u>847,339</u>	<u>53,619</u>	<u>56,007</u>	<u>4,480</u>	<u>961,445</u>
DEPRECIATION					
Brought forward - 1st January 2011	-	38,571	19,186	2,814	60,571
Charge for year	-	10,705	3,682	896	15,283
At 31st December 2011	<u>-</u>	<u>49,276</u>	<u>22,868</u>	<u>3,710</u>	<u>75,854</u>
NET BOOK VALUE					
At 31st December 2011	<u>£ 847,339</u>	<u>£ 4,343</u>	<u>£ 33,139</u>	<u>£ 770</u>	<u>£ 885,591</u>
At 31st December 2010	<u>£ 847,339</u>	<u>£ 14,156</u>	<u>£ 36,821</u>	<u>£ 1,530</u>	<u>£ 899,846</u>

12 Debtors Amounts falling due within one year

	2011	2010
Fees Receivable	13,864	5,914
Prepayments & accrued income	4,580	3,877
Income tax recoverable	4,986	4,597
	<u>£ 23,430</u>	<u>£ 14,388</u>

13 Creditors Amounts falling due within one year

Trade creditors	9,859	5,510
Bank loan & overdraft	16,871	16,543
Other creditors & accruals	21,468	9,272
Social security & other taxes	-	7,860
	<u>£ 48,198</u>	<u>£ 39,185</u>

THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

**14 Creditors: Amounts falling
due after more than one year**

	2011	2010
Loans payable in more than one year but less than 5 years	<u>£ 38,737</u>	<u>£ 29,071</u>

The loan is secured on the freehold property at Stream Lane

The bank loan, the aggregate total of which amounts to £53,338 (2010 £44,880) is repayable in monthly installments of £1,217, these being inclusive of interest, which is charged to resources expended when incurred

15 Operating lease commitments

At 31 December 2011 the Charly had aggregate annual commitments under non-cancellable operating leases as set out below

Operating leases which expire
Within 2 to 5 years

<u>£ 16,465</u>	<u>£ 16,465</u>
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THE EDGWARE MASORTI SYNAGOGUE
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

17 Designated Funds

	At 1 1 11	Additions	Expenses	Transfers to General Fund	At 31 12 11
Net book value of tangible assets held					
Building Fund	603,024	-	-	-	603,024
Other Fixed Assets	7,657	-	-	(7,657)	-
Sinking Fund	2,000	-	-	-	2,000
	<u>£ 612,681</u>	<u>£ -</u>	<u>£ -</u>	<u>£ (7,657)</u>	<u>£ 605,024</u>

The Directors have considered it prudent to set up a sinking fund through which the synagogue sets aside from income funds towards the upkeep of the building in Stream Lane. In previous years an annual provision of £5,000 has been transferred to a Sinking Fund.

However, due to the economic climate at the end of 2009, the director's agreed, contrary to a previous decision, not to increase the membership subscription rates for 2010 and in these circumstances, it was not been possible to make the annual provision. A provision has not been made in 2011.

18 Analysis of Net Assets Between Funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
Tangible fixed assets	282,567	603,024	-	885,591
Current assets	3,230	2,000	19,004	24,234
Current liabilities	(48,198)	-	-	(48,198)
Long term liabilities	(38,737)	-	-	(38,737)
Net assets at 31st December 2011	<u>£ 198,862</u>	<u>£ 605,024</u>	<u>£ 19,004</u>	<u>£ 822,890</u>

19 Related party transactions

The Charity paid a premium of £525 for Directors and Officers insurance on behalf of the company directors.

20 Contingent Liability

The Synagogue has been advised by the local Water Board and Local Council that there is a fault in the drainage from the property in relation to waste water and it is the responsibility of the Synagogue to make good the fault. Estimates have been made of the cost to be incurred of between £5,000 and £10,000. The Board of Directors are challenging this finding as it is believed responsibility for the fault lies with the Local Council whose Inspectors approved the original work when the building in question was constructed.