

**Charity Registration No. 1135296**

**Company Registration No. 07115198 (England and Wales)**

**HENDON REFORM SYNAGOGUE**  
**COUNCIL MEMBERS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2014**

# HENDON REFORM SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Honorary officers</b>	Mr D R Marks (President) Mr S Abbey (Vice president) Mr S L Isaacs (Vice president)
<b>Council</b>	Mr P A Bright (Chairman) Mr P S V Joseph Mr K R J Maddison Mr A H Owen (Chairman until 14 July 2013) Mr M J Ozin Mr K E Sander Mr J Kettle Dr B Magnus Miss K Michael Mrs J Tucker (Vice chairman)
<b>Senior minister</b>	Rabbi S Katz BA Hons
<b>Administrator</b>	Mrs R Bloom
<b>Charity number</b>	1135296
<b>Company number</b>	07115198
<b>Principal address and registered office</b>	Danescroft Avenue Hendon London NW4 2NA
<b>Auditors</b>	Gerald Edelman 1238 High Road Whetstone London N20 0LH
<b>Bankers</b>	Barclays Bank Plc 126 Station Road Edgware HA8 7RY
<b>Solicitors</b>	Howard Kennedy 19 Cavendish Square London W1A 2AW

---

# HENDON REFORM SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Investment advisors

The Roberts Partnership  
80 Mosley Street  
Manchester  
ME2 3FX

---

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT

### *FOR THE YEAR ENDED 28 FEBRUARY 2014*

---

The Council presents its report and accounts for the year ended 28 February 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the special provisions relating to small companies within part 15 of the Companies Act 2006 the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and comply with the Synagogue's governing document,

#### **Structure, governance and management**

The Synagogue is a company limited by guarantee. It is governed by its memorandum and articles of association together with rules and bye laws made for the proper conduct and management of the Synagogue.

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

Mr P A Bright (Chairman)

Mrs D K B Gosen (Retired 14 July 2013)

Mr P S V Joseph

Mr K R J Maddison

Mr M D Marlowe (Retired 5 March 2014)

Mr A H Owen (Chairman until 14 July 2013)

Mr M J Ozin

Mr L I Permutt (Retired 14 July 2013)

Mr K E Sander

Mr E G Shirman (Retired 14 July 2013)

Mr J Kettle (Appointed 14 July 2013)

Dr B Magnus

Miss K Michael

Mrs J Tucker (Vice chairman)

Members of the Synagogue over 21 years of age may stand for election to the Council. Council members are generally appointed at the Annual General Meeting.

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

The induction process of newly appointed Council members comprises an initial meeting with Council members followed by short meetings with key members of staff. They are provided with a welcome pack which includes the memorandum and articles of association and bye laws of the Synagogue, the last three years accounts which currently include accounts of the predecessor organisation and the Charity Commission's guidance "The Essential Trustee".

Council members are covered by indemnity insurance. the annual premium is £495

The Synagogue is run by a Council of up to twenty members who are elected at the Annual General Meeting. In addition, the Council can co-opt up to three additional members. The Council generally makes decisions based on the recommendations of appropriate sub committees.

Day to day running of the Synagogue is overseen by the Synagogue administrator.

Hendon Reform Synagogue is a constituent member of the Movement for Reform Judaism ("MRJ"). The MRJ supports individuals, rabbis and synagogues in communities across the UK to meet their spiritual, social and educational needs.

---

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 28 FEBRUARY 2014*

---

Each year the Council assesses the major risks to which the Synagogue is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

There are significant external risks to funding exacerbated by the difficult economic climate. A Strategy Group formed to assist the Council have produced a report and the Council are considering its recommendations.

Internal control risks are minimised by procedures for the authorisation of transactions.

Investment risk is managed by the appointment of external investment advisors who make recommendations to an Investment Committee.

Appropriate Criminal Records Bureau (CRB) checks are made on all those who work with children or other vulnerable groups.

#### **Objectives and activities**

The Synagogue is a congregation following the Jewish religion with the aims of providing and maintaining a place for the purpose of public worship and advancing religious, educational and charitable activities. The restricted funds comprise donations received for specific use within the Synagogue together with funds held for particular charities and charitable activities. The policies adopted in furtherance of these objects are to conduct a range of religious services and ceremonies, provide a Jewish education both to children and adults, provide nursery school facilities, organise a range of social, educational and cultural events and provide support within the community. There has been no change in these during the year.

The Charities Act 2011 requires all charities to meet the legal requirement that its aims are for the public benefit. The Charity Commission in its Charities and Public Benefit guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit or benefits and secondly, that the benefit must be to the public or a section of the public. The Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Synagogue should undertake and consider that they have complied with Section 17 of the Charities Act 2011 and the guidance in respect of public benefit.

The Synagogue conducts religious services on Friday evenings, Saturday mornings, Jewish festivals and High Holydays. Some services are conducted jointly with other synagogues. Access to our services is free and is open to members and visitors alike. During the High Holydays access is open to all and non-members are welcome to purchase a ticket. We provide free High Holyday tickets for young adults under 30. During the year we carried out a number of successful youth and children services where participants of all ages took an active role in prayer and readings.

Members of the community were supported by the Rabbis in times of bereavement and by the voluntary Caring Committee which reaches out to members during illness or personal difficulties. This group is made up of dedicated volunteers within our own community.

The Synagogue has a religion school for children from Reception age up to year 12. The religion school meets on Sunday mornings and is currently supported by Laura Rolfe the head of Education and Laurence Stein, the head of educational events and services alongside Deborah Bright, the school administrator. Our GCSE class, led by Rabbi Steven Katz, meets on Sunday mornings catering for children post bar/batmitzvah (year 8). The Bar/Bat Mitzvah class is held each Saturday prior to the start of the morning service. In addition to formal classes we have appointed a youth worker to engage with children of all ages by arranging social activities, outings and parties.

Our nursery school continues to build in popularity and numbers with an ever increasing waiting list due to the high level of praise obtained by Ofsted inspections and parents alike. The dedicated staff follow the "early years" curriculum and Jewish programmes to provide the very best educational and social foundations for children up to pre reception age.

---

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 28 FEBRUARY 2014*

---

Adult Education is one of our major offerings to community members and visitors alike. Torah Breakfasts are held at least once a month before the Saturday morning service. We have an adult education programme on Sunday mornings, which includes the provision of Hebrew classes (beginners and intermediate) and a series of lectures on religious, cultural, political and social affairs. Access to all our classes is free to members and visitors.

The Council would like to thank the many volunteers who throughout the year have freely given their time to assist the Synagogue.

#### **Report from Rabbi Steven Katz BA (Hons)**

Discussions, plans, preparations for our shul's sixty fifth Anniversary embraced and excited congregants spanning all age groups. The weekend itself was an uplifting affirmation of the bonds that link Hendon Reform Synagogue to congregants, young and just a little less young, here in Hendon and Hatch End, Borehamwood and Barnet.

The twentieth century theologian Rabbi Abraham Joshua Heschel suggested that faith is a first block, the recognition of the gap between where and what we are and where and what we can and should be. The Anniversary gave us all the enthusiasm, the will to work harder to close this gap with respect to Hendon Reform Synagogue's impact on each and every one our congregants. May we join together in harmony, enthusiasm and faith to close the gap and increase the impact.

#### **Report of the Chairman, Mr P A Bright**

As I approach the end of my first year as Chairman of our synagogue it is a time to reflect on all the activities, policies, initiatives and plans which have taken place or have been set out for the future benefit of HRS. As the quote goes "no man is an island" and I could not have done so much, nor could we have achieved so much if not for the help and support of the Honorary Officers, the Council, Rabbi Steven, the Synagogue staff and the numerous volunteers. I would like to take this opportunity of thanking them all for their support and I look forward to working with each and every one of them (and hopefully many new volunteers) over the coming year.

This year at Hendon Reform we have hosted 11 Bar/Bat Mitzvot, 12 Weddings, 2 Aufrufs and 2 baby blessings many of which are the children of second, third and indeed fourth generation HRS members and we look forward to another year of celebrations taking place in our shul.

The Kingsley Fisher Hall has been used for Art, Keep Fit classes, Pilates and Zumba, JACS, The League of Jewish Women, FZY and BBYO meetings. The hall has also been used for private and community functions and for hosting the regular meetings of the Hebrew Order of David (a group for Jewish adult males, operating as a fraternal unit, supporting its members, serving the community, applying Jewish ideals and values).

Our Sunday religion school "Keshet" continues under the guidance of Laura Rolfe with Valerie Boyd-Hellner on a part time basis as consultant. As the needs of the community are constantly changing with more and more of our youngsters attending Jewish day schools, we are undertaking a review of our youth education which we hope will be completed in the coming months.

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 28 FEBRUARY 2014*

---

I would also like to thank those who man the Welcome Desk ,who strive to arrive early on each Shabbat morning, come rain or shine, to welcome members and guests to the Synagogue so admirably. This small group (we are always looking for more to join them) sets out the scene of our synagogue and is often the first point of contact showing how inclusive, open, warm and friendly our community is to all those that come.

The appointment of Adam Stone (community and operations manager) back in August has proved to be of significant benefit right across the membership as he has engaged with young and old alike in addressing many aspects of community life. Whether setting up Mother and Toddler groups, Pray and Play (with Laura Katz and Kathryn Michael) organising youth outings or pulling together social events Adam has brought a proactive approach and vitality to HRS.

The burning question from the membership is of course are we staying in Danescroft or are we moving to a new location. Over the past few months we have been working with architects, planning consultants and estate agents to determine the value of our present site which should be available to us shortly. This will then give us an idea as to whether a move is indeed feasible financially, given the difficulty of finding a suitable location in the optimum locality. As communicated at the EGM and in Sh'ma magazine no decision (stay, redevelop or move) will be made by Executive or Council without the full backing of the community. We shall keep the membership fully updated throughout the process, so that each voting member has all the relevant information to hand in order to make an informed decision.

In conclusion, I hope you can see how much is going on at HRS and how much we still wish to do, to provide all of the spiritual, social, cultural and personal needs of our community. The next year is full of ambition and implementation; with your help and support I hope that I won't be (as stated above) that man on the island.

#### **Financial review**

There is a finance subcommittee which sets an annual budget and monitors performance against budget. There is also an investment subcommittee which meets the firm's independent financial advisors, The Roberts Partnership, who manage the Synagogue's investments.

It is the policy of the Synagogue that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Synagogue's current activities while consideration is given to ways in which additional funds may be raised. The free reserves at the period end were £319,149 which is in line with the target set.

The difficult economic climate continues to have an impact on the membership subscriptions which comprised the Synagogue's principal source of funding. Expenditure continues to be incurred mainly on the day to day running of the Synagogue and its services. The Synagogue's payment to the Movement for Reform Judaism, normally 17 1/2% of its subscription income, was again reduced to help stem the deficit.

The Synagogue also runs a nursery school which is funded wholly by fees charged to pupils.

The Statement of Financial Activities on page 9 discloses the Trust's net movement in funds for the year of £16,459 which results in an increase total funds at the balance sheet date to £1,742,515.

The aim of the investment portfolio is to achieve medium to longer term growth whilst providing income. This is achieved by investing into a balanced portfolio of funds that allow for diversification across all the major asset classes and across reputable investment houses.

The value of the investments increased from £755,704 to £806,312 and was in line with market conditions.

Investment income amounted to £19,937.

---

# **HENDON REFORM SYNAGOGUE**

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

***FOR THE YEAR ENDED 28 FEBRUARY 2014***

---

### **Auditors**

Gerald Edelman were appointed auditors to the company, a resolution proposing that they be re-appointed will be put to the members at the Annual General Meeting.

On behalf of the Council

**Mr P A Bright (Chairman)**

Dated: 2 July 2014



# HENDON REFORM SYNAGOGUE

## STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

---

The Council, who are also the directors of Hendon Reform Synagogue for the purpose of company law, is 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 Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Synagogue 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 Council is 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 Synagogue will continue in operation.

The Council is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Synagogue and enable it to ensure that the accounts comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Synagogue and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the Synagogue's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# HENDON REFORM SYNAGOGUE

## INDEPENDENT AUDITORS' REPORT

### TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

---

We have audited the accounts of Hendon Reform Synagogue for the year ended 28 February 2014 which comprise the statement of financial activities, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Council and auditors**

As explained more fully in the statement of Council Members' responsibilities, the Council, who are also the directors of Hendon Reform Synagogue for the purposes of company law, are responsible for the preparation of the accounts which give a true and fair view.

The Council have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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 accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 significant accounting estimates made by the Council; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Council Members' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2014 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.

# HENDON REFORM SYNAGOGUE

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

---

### **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 2011 requires us to report to you if, in our opinion:

- the information given in the Council Members Annual Report is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept;
- the accounts 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.

**Gerald Edelman**

### **Chartered Accountants**

#### **Statutory Auditor**

1238 High Road  
Whetstone  
London  
N20 0LH

Dated: 2 July 2014

Gerald Edelman is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# HENDON REFORM SYNAGOGUE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2014

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
<b>Incoming resources from generated funds</b>					
Donations and legacies	2	528,010	57,392	585,402	593,041
Activities for generating funds	3	24,943	-	24,943	31,255
Investment income	4	19,842	95	19,937	18,135
		<u>572,795</u>	<u>57,487</u>	<u>630,282</u>	<u>642,431</u>
Incoming resources from charitable activities	5	227,837	-	227,837	228,617
Other incoming resources	6	3,012	-	3,012	-
<b>Total incoming resources</b>		<u>803,644</u>	<u>57,487</u>	<u>861,131</u>	<u>871,048</u>
<b>Resources expended</b>					
<b>Costs of generating funds</b>	7				
Support costs		86,840	5,000	91,840	87,858
Fundraising costs and publicity		14,843	-	14,843	14,234
Investment management costs		1,486	-	1,486	1,278
		<u>103,169</u>	<u>5,000</u>	<u>108,169</u>	<u>103,370</u>
<b>Net incoming resources available</b>		<u>700,475</u>	<u>52,487</u>	<u>752,962</u>	<u>767,678</u>
<b>Charitable activities</b>					
Services and festivals		286,751	37,936	324,687	335,275
Education		240,478	536	241,014	241,371
Community support		22,833	-	22,833	22,292
Funeral and cemetery		95,668	12,488	108,156	118,821
<b>Total charitable expenditure</b>		<u>645,730</u>	<u>50,960</u>	<u>696,690</u>	<u>717,759</u>
Governance costs		34,997	-	34,997	53,964
Other resources expended		37,532	-	37,532	33,768
<b>Total resources expended</b>		<u>821,428</u>	<u>55,960</u>	<u>877,388</u>	<u>908,861</u>
<b>Net (outgoing)/incoming resources</b>		<u>(17,784)</u>	<u>1,527</u>	<u>(16,257)</u>	<u>(37,813)</u>
<b>Other recognised gains and losses</b>					
Gains on investment assets		32,716	-	32,716	41,705
<b>Net movement in funds</b>		<u>14,932</u>	<u>1,527</u>	<u>16,459</u>	<u>3,892</u>
Fund balances at 1 March 2013		1,415,175	310,881	1,726,056	1,722,164
<b>Fund balances at 28 February 2014</b>		<u>1,430,107</u>	<u>312,408</u>	<u>1,742,515</u>	<u>1,726,056</u>

# HENDON REFORM SYNAGOGUE

## BALANCE SHEET

AS AT 28 FEBRUARY 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Intangible assets	14	450,364		475,384	
Tangible assets	15	427,193		446,991	
Investments	16	806,312		755,703	
		<u>1,683,869</u>		<u>1,678,078</u>	
<b>Current assets</b>					
Debtors	17	34,127		53,410	
Cash at bank and in hand		149,563		110,262	
		<u>183,690</u>		<u>163,672</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(125,044)</u>		<u>(115,694)</u>	
<b>Net current assets</b>		<u>58,646</u>		<u>47,978</u>	
<b>Total assets less current liabilities</b>		<u>1,742,515</u>		<u>1,726,056</u>	
<b>Income funds</b>					
Restricted funds	21	312,408		310,882	
Unrestricted funds:					
Designated funds	22	400,000		400,000	
Other charitable funds					
Unrestricted income funds		<u>1,030,107</u>		<u>972,718</u>	
		<u>1,030,107</u>		<u>1,015,174</u>	
		<u>1,742,515</u>		<u>1,726,056</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2014, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Council on 2 July 2014

Mr P A Bright (Chairman)

Mr K R J Maddison

**Company Registration No. 07115198**

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 28 FEBRUARY 2014

---

#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The Synagogue has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Synagogue.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" ("SORP"), issued in March 2005 and the Companies Act 2006.

##### 1.2 Incoming resources

Donations comprise amounts received during the year. Legacies are credited in the year in which they are receivable. The Council does not regard a legacy as receivable until it can be measured with reasonable certainty and probate has been granted in respect of the legatee's estate.

Assets given for use by the Synagogue are recognised as incoming resources when receivable and are brought into the accounts at estimated cost.

Subscriptions and other fees receivable are included on the basis of those due for the current year after making allowance for any amounts that are unlikely to be collected.

Income tax recoverable has been included to the extent that it arises on subscriptions and other income received under gift aid in the year.

Interest is accounted for on an accruals basis.

##### 1.3 Resources expended

Resources expended are accounted for on an accruals basis. The Synagogue is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Resources expended on generating voluntary income include the costs incurred by the Synagogue in generating membership subscriptions, voluntary income including donations and legacies, and on fundraising and other activities to raise funds.

Resources expended on charitable activities comprise the resources applied by the Synagogue in meeting its charitable objectives. Such costs include the direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Staff costs have been allocated by the time spent and other costs by their usage.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

**FOR THE YEAR ENDED 28 FEBRUARY 2014**

---

### **1 Accounting Policies**

**(continued)**

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets costing £100 or more are stated at original cost or where original cost is not ascertainable, at valuation at the date such assets were first capitalised.

Freehold land and buildings, scrolls, silver and other religious artefacts are not depreciated because the depreciation charge is not considered material. Such assets are subject to an annual impairment review.

Depreciation is provided on other assets at rates calculated to write off the cost less their estimated residual value over their estimated useful lives on the straight line basis as follows:

Computer & other equipment	25% and 20% respectively per annum
Plant and machinery	7 1/2% per annum
Fixtures & fittings	10% per annum

#### **1.5 Investments**

Fixed asset investments are stated at market value. Gains and losses arising on revaluation or disposal of investments are included in the statement of financial activities under other recognised gains and losses.

#### **1.6 Pensions**

Contributions to the Synagogue's defined contribution pension scheme are charged in the statement of financial activities for the year in which they are payable to the scheme.

#### **1.7 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Council to further the general objects of the Synagogue and which have not been designated for other purposes.

Designated funds are unrestricted funds consisting of amounts allocated by the Council for Synagogue purposes. The aim and use of each fund is set out in the notes to the accounts.

Restricted funds comprise unexpended balances of donations held on trusts to be applied for specific purposes. Investment income and gains are allocated to the appropriate fund.

#### **1.8 Burial rights**

Burial rights are included in intangible assets and written off over their expected useful life of 25 years.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Donations and gifts	522,010	57,392	579,402	593,041
Legacies receivable	6,000	-	6,000	-
	<u>528,010</u>	<u>57,392</u>	<u>585,402</u>	<u>593,041</u>

#### Donations and gifts

##### Unrestricted funds:

Membership subscriptions	418,395	432,395
Income tax recoverable on membership subscriptions	84,518	85,212
High Holyday Appeal	10,152	24,437
Other donations	8,945	18,679
	<u>522,010</u>	<u>560,723</u>

##### Restricted funds:

Donations for Board of Deputies	7,078	8,819
Donations for general charitable purposes	2,848	3,638
UJIA	-	2,204
Jewish Blind and Disabled	-	944
HHD Appeal - Jewish Care	-	3,738
Donations for Exodus 2000	-	670
Donations for MDA	-	295
HHD Appeal - Chai	7,165	-
HHD Appeal - Tzedek	4,423	-
Jack Petchey Award	1,000	600
Tree of Life	1,188	1,875
Nursery school grant special education	-	2,960
Youth activities	-	1,575
Computer software and associated professional fees	-	5,000
Donation towards salaries	5,000	-
Relocation fund	23,750	-
Books	2,540	-
Donation for defibrillator	1,400	-
Donation towards cemetery costs	1,000	-
	<u>57,392</u>	<u>32,318</u>



# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 3 Activities for generating funds

	2014 £	2013 £
Unrestricted funds:		
Use of hall	11,576	11,609
Fundraising	12,328	16,119
Synagogue magazine	1,039	3,527
	<u>24,943</u>	<u>31,255</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Income from listed investments	19,774	-	19,774	17,940
Interest receivable	68	95	163	195
	<u>19,842</u>	<u>95</u>	<u>19,937</u>	<u>18,135</u>

### 5 Incoming resources from charitable activities

	2014 £	2013 £
Nursery school	145,200	146,196
Education	5,320	6,489
Funeral and cemetery	49,422	51,561
Services and festivals	27,895	24,371
	<u>227,837</u>	<u>228,617</u>

### 6 Other incoming resources

	2014 £	2013 £
Other income	<u>3,012</u>	<u>-</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 7 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2014 £	Total 2013 £
<b>Costs of generating funds</b>						
Support costs	69,406	1,167	21,267	-	91,840	87,858
Fundraising costs and publicity	-	-	14,843	-	14,843	14,234
Investment management costs	-	-	1,486	-	1,486	1,278
<b>Total</b>	<b>69,406</b>	<b>1,167</b>	<b>37,596</b>	<b>-</b>	<b>108,169</b>	<b>103,370</b>
<b>Charitable activities</b>						
<u>Services and festivals</u>						
<u>Activities undertaken directly</u>						
Activities undertaken directly	144,596	915	18,606	-	164,117	197,006
Grant funding of activities	-	-	-	34,981	34,981	15,652
Support costs	44,280	9,950	71,359	-	125,589	122,617
<b>Total</b>	<b>188,876</b>	<b>10,865</b>	<b>89,965</b>	<b>34,981</b>	<b>324,687</b>	<b>335,275</b>
<u>Education</u>						
<u>Activities undertaken directly</u>						
Activities undertaken directly	153,287	536	18,688	-	172,511	174,491
Support costs	24,153	5,427	38,923	-	68,503	66,880
<b>Total</b>	<b>177,440</b>	<b>5,963</b>	<b>57,611</b>	<b>-</b>	<b>241,014</b>	<b>241,371</b>
<u>Community support</u>						
Support costs	8,051	1,808	12,974	-	22,833	22,292
<u>Funeral and cemetery</u>						
<u>Activities undertaken directly</u>						
Activities undertaken directly	-	25,020	71,719	-	96,739	107,673
Support costs	4,025	905	6,487	-	11,417	11,148
<b>Total</b>	<b>4,025</b>	<b>25,925</b>	<b>78,206</b>	<b>-</b>	<b>108,156</b>	<b>118,821</b>
	<b>378,392</b>	<b>44,561</b>	<b>238,756</b>	<b>34,981</b>	<b>696,690</b>	<b>717,759</b>
<b>Governance costs</b>	<b>16,102</b>	<b>195</b>	<b>18,700</b>	<b>-</b>	<b>34,997</b>	<b>53,964</b>
<b>Other resources expended</b>	<b>-</b>	<b>-</b>	<b>37,532</b>	<b>-</b>	<b>37,532</b>	<b>33,768</b>
	<b>463,900</b>	<b>45,923</b>	<b>332,584</b>	<b>34,981</b>	<b>877,388</b>	<b>908,861</b>

Other resources expended comprise pension and accommodation costs incurred in respect of the late Rabbi's wife.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

---

### 8 Activities undertaken directly

	2014	2013
	£	£
Other costs relating to services and festivals comprise:		
Direct services costs	15,674	14,397
Other services costs payable from restricted fund	2,671	679
Other education costs payable from restricted fund	261	-
	<u>18,606</u>	<u>15,076</u>
Other costs relating to education comprise:		
Religion school educational materials and other costs	3,045	808
Nursery school educational materials and other costs	5,446	7,134
Nursey school security	10,197	8,756
	<u>18,688</u>	<u>16,698</u>
Other costs relating to funeral and cemetery comprise:		
Undertaker's fees	24,223	25,023
Contributions to members' funerals	20,930	15,731
Cemetery repairs and service charges	19,050	35,304
Other funeral and cemetery costs	5,453	4,899
Cemetery costs payable from restricted fund	2,063	1,696
	<u>71,719</u>	<u>82,653</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 9 Grants payable

	<b>Total 2014 £</b>	Total 2013 £
Grants to institutions (15 grants):		
The Board of Deputies of British Jews	7,452	4,638
Jewish Care	6,265	1,500
Chai Cancer Care	5,919	-
Tzedek	3,697	-
Jewish Blind and Disabled	2,000	1,000
North London Hospice	2,000	-
All other	7,648	8,514
	<u><b>34,981</b></u>	<u>15,652</u>

The Board of Deputies of British Jews is a national representative body of the Jewish community, and is the chief voice of British Jewry; Jewish Care provides care and support to the Jewish Community in London and the South East; Chai Cancer Care provides comprehensive, professional and expert services to any member of the Jewish community affected by cancer; Tzedek is a charity whose object is reduce poverty overseas; Jewish Blind and Disabled is a charity which provides sheltered housing for visually and physically disabled people and North London Hospice provides specialist palliative care in North London for those with advanced progressive disease. In addition, donations were made to other charities including Leo Baeck College, The Czeck Memorial Scrolls Centre, Ovarian Cancer Action, The Mayor of Barnet Appeal, The British Friends of War Disabled, Camp Simcha, Leo Baeck College and Meningitis Now.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 10 Support costs

	Services and festivals £	Education £	Community support £	Funeral and cemetery £	Carried forward £
Premises costs	29,506	16,094	5,365	2,682	53,647
Administration and other costs	7,082	3,863	1,287	644	12,876
Staff costs	44,280	24,153	8,051	4,025	80,509
Depreciation	9,950	5,427	1,808	905	18,090
MRJ affiliation fee	34,771	18,966	6,322	3,161	63,220
	<b>125,589</b>	<b>68,503</b>	<b>22,833</b>	<b>11,417</b>	<b>228,342</b>

	Brought forward £	Activities for generating funds £	Governance costs £	Total 2014 £	Total 2013 £
Premises costs	53,647	7,379	-	61,026	71,214
Administration and other costs	12,876	13,888	1,503	28,267	25,898
Staff costs	80,509	69,406	16,101	166,016	163,623
Depreciation	18,090	1,167	195	19,452	24,474
MRJ affiliation fee	63,220	-	-	63,220	47,000
	<b>228,342</b>	<b>91,840</b>	<b>17,799</b>	<b>337,981</b>	<b>332,209</b>

### 11 Governance costs

	2014 £	2013 £
Other governance costs comprise:		
Council members indemnity insurance	495	636
Legal and professional fees	2,700	12,442
Auditor's remuneration	14,000	19,473
Other administrative support costs	1,505	4,806
	<b>18,700</b>	<b>37,357</b>

Governance costs includes payments to the auditors of £6,500 (2013 - £12,273) for non audit services.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2014

---

#### 12 Council

Mrs D Bright, the wife of a Council Member, Mr P Bright, is employed by the Synagogue in the religion school at normal rates and on normal terms. Her salary was £12,123 (2013 - £12,638). Miss S Bright, the daughter of a Council Member, Mr P Bright, is employed by the Synagogue in the religion school at normal rates and on normal terms. Her salary was £102 (2013 - £Nil). No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the year.

Fees of £1,560 were paid to Dorman Joseph Wachtel, a firm of solicitors in which Mr P Joseph, a council member, is a partner for advice and assistance in connection with the retirement of trustees of the Synagogue's pension scheme and the appointment of new trustees.

#### 13 Employees

##### Number of employees

The average monthly number of employees during the year was:

	<b>2014</b>	2013
	<b>Number</b>	Number
Services	2	2
Nursery school	3	3
Education	2	2
Management and administration	4	5
	<u>11</u>	<u>12</u>

##### Employment costs

	<b>2014</b>	2013
	<b>£</b>	£
Wages and salaries	424,173	451,906
Social security costs	34,229	37,699
Other pension costs	5,498	11,947
	<u>463,900</u>	<u>501,552</u>

The number of employees whose annual remuneration was between £90,000 and £100,000 or more were:

	<b>2014</b>	2013
	<b>Number</b>	Number
Rabbis	<u>1</u>	<u>1</u>

Contributions totalling £ 5,498 (2013: £8,261) were made to defined contribution pension schemes on behalf of 1 employee whose emoluments exceed £60,000.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

---

### 14 Intangible fixed assets

	Burial rights £
<b>Cost</b>	
At 1 March 2013 and at 28 February 2014	681,437
<b>Amortisation</b>	
At 1 March 2013	206,053
Charge for year	25,020
<b>At 28 February 2014</b>	<b>231,073</b>
<b>Net book value</b>	
At 28 February 2014	450,364
At 28 February 2013	475,384

Burial rights held by the company's predecessor, Hendon Reform Synagogue, as at 29 February 2004 were transferred at valuation as at that date less accumulated depreciation. The value as at 29 February 2004 was the market value based on the expected purchase price of equivalent spaces. Burial rights acquired by the company's predecessor since 29 February 2004 were transferred at cost less accumulated depreciation on 1 March 2010.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 15 Tangible fixed assets

	Land and buildings	Computer & other equipment	Plant and machinery	Fixtures & fittings	Scrolls, silver & other religious artefacts	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 March 2013	200,065	41,545	221,112	101,726	190,000	754,448
Additions	-	1,105	-	-	-	1,105
<b>At 28 February 2014</b>	<b>200,065</b>	<b>42,650</b>	<b>221,112</b>	<b>101,726</b>	<b>190,000</b>	<b>755,553</b>
<b>Depreciation</b>						
At 1 March 2013	-	38,748	182,834	85,875	-	307,457
Charge for the year	-	1,514	15,917	3,472	-	20,903
<b>At 28 February 2014</b>	<b>-</b>	<b>40,262</b>	<b>198,751</b>	<b>89,347</b>	<b>-</b>	<b>328,360</b>
<b>Net book value</b>						
<b>At 28 February 2014</b>	<b>200,065</b>	<b>2,388</b>	<b>22,361</b>	<b>12,379</b>	<b>190,000</b>	<b>427,193</b>
At 28 February 2013	200,065	2,798	38,277	15,851	190,000	446,991

Tangible fixed assets have been transferred from the company's predecessors, Hendon Reform Synagogue, at cost or valuation less accumulated depreciation.

Stained glass windows have been capitalised at estimated value to the Synagogue as at 28 February 2007 at £40,000; scrolls, silver and other religious artefacts have been capitalised at estimated value to the Synagogue as at 28 February 2007 at £190,000. The value of stained glass windows is included in freehold land and buildings

Freehold land and buildings have not been valued but their value for insurance purposes including stained glass windows is £4,000,000.



# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

### 16 Fixed asset investments

	Quoted UK investments	Cash awaiting investment	Total
	£	£	£
Market value at 1 March 2013	740,228	15,475	755,703
Disposals at book value	-	(15,475)	(15,475)
Acquisitions at cost	16,122	17,246	33,368
Change in value in the year	32,716	-	32,716
<b>Market value at 28 February 2014</b>	<b>789,066</b>	<b>17,246</b>	<b>806,312</b>
Historical cost:			
At 28 February 2014	724,486	17,246	741,732
At 28 February 2013	708,364	15,475	723,839

Investments include £669,413 invested in low risk collective investment schemes and £55,073 invested in low risk companies quoted on the London Stock Exchange. The investments have been selected to provide a mixture of income and capital growth.

### 17 Debtors

	2014	2013
	£	£
Other debtors	18,012	42,290
Prepayments and accrued income	16,115	11,120
	<b>34,127</b>	<b>53,410</b>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

**FOR THE YEAR ENDED 28 FEBRUARY 2014**

---

<b>18 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other creditors	48,569	47,479
Accruals	45,602	34,496
Deferred income	30,873	33,719
	<u>125,044</u>	<u>115,694</u>

In accordance with note 1.2 to the accounts income of £30,873 which comprises subscriptions, nursery school and othe fees received in advance has been deferred in the current year.

All the income amounting to £33,719 deferred in the previous year has been released in the current year.

### **19 Pension and other post-retirement benefit commitments** **Defined contribution**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>5,498</u>	<u>11,947</u>

### **20 Share capital**

The charitable company is limited by guarantee and has no share capital. Each member guarantees to contribute £1 in the event of a winding up.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2014

---

#### 21 Restricted funds

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

	Balance at 1 March 2013	Movement in funds		Balance at 28 February 2014
	£	Incoming resources £	Resources expended £	£
Specific Synagogue purposes	248,834	35,878	(20,979)	<b>263,733</b>
Appeal funds for charitable purposes	62,047	21,609	(34,981)	<b>48,675</b>
	<u>310,881</u>	<u>57,487</u>	<u>(55,960)</u>	<u><b>312,408</b></u>

Funds held for specific Synagogue purposes represent donations received to be expended in accordance with donor's wishes.

The fund for specific Synagogue purposes includes the balance of a donation of £300,000 from the Sydney Kingsley Trust made to the company's predecessors, Hendon Reform Synagogue, £250,000 of which was donated for the specific purpose of redeeming the bank loan taken out to enable the Synagogue to purchase burial rights at Edgwarebury Lane and so the proportionate amount of depreciation on such rights has been charged to the fund. The balance of the donation as at 28 February 2014 was £160,674.

Appeal funds for specific charities represent funds raised by the High Holyday appeal and other appeals which have been or will be paid to charities.

Other funds held for specific Synagogue purposes include a £23,750 towards the Synagogue's relocation costs, a benevolent fund of £14,708 raised at the 60th Anniversary Celebrations, £9,595 for youth activities, grants and other donations received of £19,486 for educational purposes, a members support fund of £8,600, £21,451 donated for synagogue improvements and other items and a fund of £5,469 to be used to provide an annual kiddush in accordance with the donor's wishes.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2014

#### 22 Designated funds

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

	Movement in funds			Balance at 28 February 2014
	Balance at 1 March 2013	Incoming resources	Resources expended	
	£	£	£	£
Designated fund	400,000	-	-	<b>400,000</b>
	<u>400,000</u>	<u>-</u>	<u>-</u>	<b><u>400,000</u></b>

The designated fund is for the purpose of providing income to meet the commitment explained in note 23.

#### 23 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 28 February 2014 are represented by:				
Intangible fixed assets	289,690	-	160,674	<b>450,364</b>
Tangible fixed assets	421,268	-	5,925	<b>427,193</b>
Investments	406,312	400,000	-	<b>806,312</b>
Current assets	37,881	-	145,809	<b>183,690</b>
Creditors: amounts falling due within one year	(125,044)	-	-	<b>(125,044)</b>
	<u>1,030,107</u>	<u>400,000</u>	<u>312,408</u>	<b><u>1,742,515</u></b>
Unrealised gains included above:				
On investments	64,580	-	-	64,580
	<u>64,580</u>	<u>-</u>	<u>-</u>	<u>64,580</u>
Reconciliation of movements in unrealised gains				
Unrealised gains at 1 March 2013	31,864	-	-	31,864
Net gains on revaluations in year	32,716	-	-	32,716
	<u>64,580</u>	<u>-</u>	<u>-</u>	<u>64,580</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED)

*FOR THE YEAR ENDED 28 FEBRUARY 2014*

---

### **24 Commitments**

In 1971 the Company's predecessors, Hendon Reform Synagogue, made a legally binding commitment to provide a pension and accommodation to the wife of the late Rabbi. At the balance sheet date this commitment amounted to £32,600 and is index linked. In previous years she resided rent free in a house owned by the Synagogue which was sold in the year ended 28 February 2011.