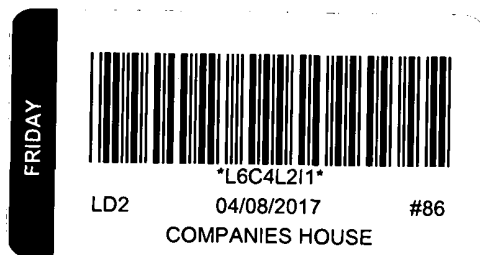


Charity Registration No. 1135296

Company Registration No. 07115198 (England and Wales)

HENDON REFORM SYNAGOGUE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017



HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Council	Mrs F Aitman Mr P Bright (Chairman) Mr P R Eden Mr P S V Joseph Mr J Kettle (Hon Secretary) Mr K R J Maddison Mr M J Ozin Mr L I Permutt Mr K E Sander Mr I C Seedburgh Mrs J Tucker (Vice Chairman) Mr R Weisfeld Mrs A Zarach Mr A J O'Brat	(Appointed 10 July 2016) (Appointed 10 July 2016) (Appointed 10 July 2016) (Appointed 10 July 2016)
Synagogue administrator	Mrs R Bloom	
Charity number	1135296	
Company number	07115198	
Registered and principal office	Danescroft Avenue Hendon London NW4 2NA	
Independent auditors	Gerald Edelman 73 Cornhill London EC3V 3QQ	
Bankers	Barclays Bank plc 126 Station Road Edgware Middlesex HA8 7RY	
Solicitors	Howard Kennedy LLP No.1 London Bridge London SE1 9BG	
Investment advisors	The Roberts Partnership 80 Mosley Street Manchester ME2 3FX	
Rabbi	Steven Katz	

HENDON REFORM SYNAGOGUE

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HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2017

The Council present their annual report and accounts for the year ended 28 February 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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 including the guidance "Public Benefit: Running a Charity (PB2).

The Synagogue conducts religious services on Friday evenings, Saturday mornings, Jewish festivals and High Holy Days. 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 Holy Days access is open to all and non-members are welcome to purchase a ticket. We provide free High Holy Day 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 conducts a GCSE class, led by Rabbi Steven Katz, which 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.

Our nursery school continued during the year. 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. Due to the planned merger with Edgware Reform Synagogue the nursery school is closing in July 2017.

Adult Education was also available to community members and visitors alike and Torah Breakfasts are held at least once a month before the Saturday morning service.

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

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2017

Achievements and performance

Over recent years much energy has been channelled by many of our shul leaders into envisioning the future of our congregation, at least its physical location. In September 2016 a vote was taken to merge with Edgware and District Reform Synagogue which is located within the Borough of Barnet to form a new entity. The membership voted in favour of the merger by 71.8% giving the authority for the synagogue Council to facilitate the merging of the two communities at the earliest possible time.

The main reasons for this merger were to ensure that the shul could provide for the children a range of social and educational opportunities. Elderly congregants need to be embraced by a team of caring fellow congregants who phone, visit, shop, care. Some congregants need courses and discussions on Judaism that inform and inspire, others want Shabbat/Yom Tov services that inform, inspire and give one a sense of God within and without. Caring, informing, inspiring, teaching, praying, socialising – all of this we offer, here, now. Joining with Edgware and District Reform Synagogue would allow us to benefit from their team of professional rabbis, welfare officers, youth leader and community organisers and the energy and good will of a congregation twice our size.

All congregants who have helped realise this merger deserve our enduring gratitude – their efforts on behalf of Hendon Reform Synagogue have often intruded into their work and family leisure time.

Report of the Chairman, Mr P A Bright

The past year has seen the most dramatic change for Hendon Reform Synagogue in its 68 years as we started the process of merging with Edgware and District Reform Synagogue to form the new entity based at the Stonegrove site, to be called Edgware and Hendon Reform Synagogue.

After some seven years of considering various options for the future of HRS it was decided that the very best opportunity was that of merging with EDRS. In September 2016 the vote was taken, resulting in 71.8% of the membership being in favour of the merger.

Since that time both the HRS and EDRS board of management, the rabbis and staff have been working towards merging the two communities which will take place over the next few months.

Over the years, we have been blessed with the many volunteers who have given all of us at HRS their time and commitment, their energy and experience. It is with this generosity and dedication that we have been able to meet the needs of our community and support our membership across so many areas. I would like to take this opportunity of thanking the Honorary Officers, the Synagogue Council, Rabbi Steven, the Synagogue staff and the numerous volunteers for their support and I look forward to working with each and every one of them as we move forwards into the new combined community,

Over the past year at Hendon Reform we have had the joyous opportunity of hosting numerous simchot, including 12 Bar/Bat Mitzvot, 10 Weddings, 3 Aufrufs and 6 baby blessings. It is a true testament to our Rabbi and the traditional Reform ethos our shul provides across the generations that these celebrations have taken place. We look forward to another year of such joyous occasions taking place alongside our enlarged community in Stonegrove who share the same values.

The Kingsley Fisher Hall has continued to be used for various private, charity and community functions catering for all ages and interests. During the year the Salvation Army ceased to hold their, services and meetings in the KFH as they were finally able to move back into their redeveloped building. Once again under the management of Dani Benjamin and dedicated volunteers the KFH provided a weekly night shelter for the homeless during the cold months through to May, providing them with a meal and a secure, comfortable place to rest. This cross community alliance, openness, care and support has been well-regarded by the wider community and demonstrates our total duty of care and responsibility for our fellow man, whatever their background.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2017

The nursery continued to be full with some 40+ children attending on each weekday. I wish to thank the Head Teacher Alison Mazin and all her staff which enables the nursery to regularly receive praise from parents and OFSTED alike. I would also like to thank those who man the Welcome Desk and prepare the Kiddush on a Shabbat morning. This small group sets out the warmth and inclusiveness of our synagogue and is often the first point of contact showing how open, and friendly our community is to all those who come.

In conclusion, I hope you can see that HRS continued to provide all of the spiritual, social, cultural and personal needs of our membership. Over the coming months the uncertainty of our future will come to an end as we merge with EDRS to form EHRS. This new entity will maintain all of the ethos, warmth and community spirit you have enjoyed as a member of HRS with the added advantage of an enlarged engaged, vibrant membership who strive to offer all of the requirements of an ever evolving synagogue community.

Financial review

The net income for the year (including investment returns) was £107,072 (2016- net expenditure £204,206).

Total income amounted to £979,564 (2016 - £840,360), The increase arose as a result of an increased level of donations together with a legacy received of £50,000 and higher income from rental of premises at £48,634 (2016 - £16,754). Total expenditure amounted to £959,388 (2016 - £999,870). This decrease arose as a result of a fall in the level of salaries offset by a charge made of £78,509 in respect of a contribution to costs regarding the spouse of the former Rabbi (see note 21).

The land and property owned by the charity was sold after the year end for a sum in excess of £6.3 million. A sum of £207,000 was contractually payable to a third party from such proceeds.

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 three month's expenditure which is equivalent to £239,847 as at the year end. The Council considers 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 £342,990 (as represented by the value of unrestricted funds less relevant fixed assets) which exceeds the target set.

Included in reserves are restricted funds of £365,298 as detailed in note 25. The sum of £180,000 is also held on designated funds towards the potential excess cost of burial rights payable in respect of its members,

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 market value of the investments increased from £801,575 to £869,388 mainly, because of favourable market conditions. Investment income amounted to £17,332.

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 and the members and alternatives referred to elsewhere in the report are under consideration to safeguard the future of the Synagogue. 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.

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.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2017

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

Mrs F Aitman	
Mrs D S Benjamin	(Appointed 10 July 2016 and resigned 29 December 2016)
Mr P Bright (Chairman)	
Mrs B Edelman	(Resigned 10 July 2016)
Mr P R Eden	(Appointed 10 July 2016)
Mr P S V Joseph	
Mr J Kettle (Hon Secretary)	
Mr K R J Maddison	
Miss K Michael	(Appointed 10 July 2016 and resigned 6 March 2017)
Mr M J Ozin	
Mr L I Permutt	(Appointed 10 July 2016)
Mr K E Sander	
Miss C Saul	(Appointed 10 July 2016 and resigned 5 January 2017)
Mr I C Seedburgh	(Appointed 10 July 2016)
Mrs J Tucker (Vice Chairman)	
Mr R Weisfeld	
Mrs A Zarach	
Mr A J O'Brat	(Appointed 10 July 2016)

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 Council has any beneficial interest in the company. All of the Council are members of the company and guarantee to contribute £1 in the event of a winding up.

Council members are covered by indemnity insurance. the annual premium is £498.

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.

All current Trustees are appraised of new developments in charity law and practice. All new Trustees are provided with all relevant information appertaining to its affairs to ensure that they can understand and meet the responsibilities the role entails.

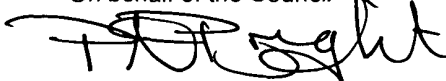
Auditor

A resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the members at the Annual General Meeting.

Disclosure of information to auditors

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

On behalf of the Council



Mr P Bright (Chairman)

Dated: 13 July 2017

HENDON REFORM SYNAGOGUE

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 28 FEBRUARY 2017

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

Company law requires the 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 are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Synagogue will continue in operation.

The Council are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Synagogue and enable them to ensure that the accounts comply with the Companies Act 2006. They are 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.

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HENDON REFORM SYNAGOGUE

We have audited the accounts of Hendon Reform Synagogue for the year ended 28 February 2017 set out on pages 8 to 28. 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), including Financial Reporting Standard 102.

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 charity 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 auditor

As explained more fully in the statement of Council Members' responsibilities set out on page 5, 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 and for being satisfied that they 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 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 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 the requirements of the Companies Act 2006.

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS 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 accounts are not in agreement with the accounting records and returns; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Other matter

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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



**for and on behalf of Gerald Edelman
Chartered Accountants
Statutory Auditor**

13 July 2017

73 Cornhill
London
EC3V 3QQ

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 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Donations and legacies	3	538,373	97,856	636,229	540,842
Charitable activities	4	259,678	-	259,678	247,505
Other trading activities	5	62,902	-	62,902	33,900
Investments	6	17,282	50	17,332	16,986
Other income	7	3,423	-	3,423	1,127
Total income		881,658	97,906	979,564	840,360
<u>Expenditure on:</u>					
Raising funds	8	159,105	1,667	160,772	156,326
Charitable activities	9	686,779	33,328	720,107	843,544
Other	21	78,509	-	78,509	-
Total expenditure		924,393	34,995	959,388	999,870
Net income/(expenditure) for the year before investment returns					
Net gains/(losses) on investments	14	(42,735)	62,911	20,176	(159,510)
Net income/(expenditure) for the year		44,161	62,911	107,072	(204,206)
Fund balances at 1 March 2016		1,127,947	302,387	1,430,334	1,634,540
Fund balances at 28 February 2017		1,172,108	365,298	1,537,406	1,430,334

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

All income and expenditure derive from continuing activities.

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

HENDON REFORM SYNAGOGUE

BALANCE SHEET

AS AT 28 FEBRUARY 2017

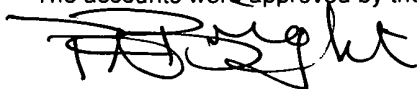
	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Intangible assets	15		375,304		400,324
Tangible assets	16		406,560		413,823
Investments	17		869,388		801,575
			<u>1,651,252</u>		<u>1,615,722</u>
Current assets					
Debtors	19	49,069		59,419	
Cash at bank and in hand		112,352		9,465	
		<u>161,421</u>		<u>68,884</u>	
Creditors: amounts falling due within one year	20	(95,267)		(111,388)	
Net current assets/(liabilities)			66,154		(42,504)
Total assets less current liabilities			1,717,406		1,573,218
Provisions for liabilities	21		(180,000)		(142,884)
Net assets			<u>1,537,406</u>		<u>1,430,334</u>
Income funds					
Restricted funds	23		365,298		302,387
<u>Unrestricted funds</u>					
Designated funds	24	180,000		180,000	
General unrestricted funds		992,108		947,947	
			<u>1,172,108</u>		<u>1,127,947</u>
			<u>1,537,406</u>		<u>1,430,334</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 2017, 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 Council Members' responsibilities for ensuring that the charity 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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Council on 13 July 2017



Mr P Bright (Chairman)
Trustee

Company Registration No. 07115198

HENDON REFORM SYNAGOGUE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		66,470		(222,873)
Investing activities					
Purchase of tangible fixed assets		-		(838)	
Purchase of investments		(28,827)		(117,170)	
Proceeds on disposal of investments		47,912		115,595	
Investment income		17,332		17,079	
Net cash generated from investing activities			36,417		14,666
Net increase/(decrease) in cash and cash equivalents			102,887		(208,207)
Cash and cash equivalents at beginning of year			9,465		217,672
Cash and cash equivalents at end of year			112,352		9,465

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

Charity information

Hendon Reform Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is Danescroft Avenue, Hendon, London, NW4 2NA.

1.1 Accounting convention

The accounts have been prepared in accordance with the Synagogue's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Synagogue is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of Hendon Reform Synagogue prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 March 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

1.2 Going concern

The Synagogue had free reserves of £342,990 at the year end and the Council considers that there should be sufficient funds for at least the next twelve months. On this basis the assessment of the Council is that the Synagogue is a going concern.

1.3 Incoming resources

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

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

Legacies are recognised at the earlier of the date on which the Synagogue is aware probate has been granted, the estate has been finalised and notification has been made by the executors to the Synagogue 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 Synagogue has been notified of the executor's intention to make a distribution. When legacies have been notified to the Synagogue, or the Synagogue is aware of the granting of probate but the criteria for income recognition have not been met, the legacy is treated as a contingent asset.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

Donated assets given for use by the Synagogue are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met and the receipt of economic benefit for use by the Synagogue is probable. Such assets are brought into the accounts at the lower of replacement cost and recoverable amount.

Deferred income represents membership subscriptions received in advance and nursery school and other fees for services that had not been substantially completed at the year end.

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.

Investment income is included in the accounts at the date of entitlement.

All other income is included in the accounts on an accruals basis.

1.4 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Synagogue to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on the accruals basis. The Synagogue is not registered for VAT and accordingly expenditure includes irrecoverable VAT which is charged against the expenditure heading for which it was incurred.

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

Expenditure 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.

Support costs include central functions that assist the work of the charity but do not directly undertake charitable activities. They have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of salaries and other overheads.

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

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies (Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

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

Burial rights written off over useful life of 25 years

1.6 Tangible fixed assets

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

Tangible fixed assets 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:

Land and buildings	Nil
Plant and machinery	7 1/2% per annum
Fixtures, fittings and equipment	10% per annum

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

1.7 Fixed asset investments

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

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.8 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Synagogue has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Synagogue's balance sheet when the Synagogue becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.11 Provisions

Provisions are recognised when the Synagogue has a legal or constructive present obligation as a result of a past event, it is probable that the Synagogue will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period it arises.

A provision has been made for the unavoidable costs of providing a pension and accommodation to the wife of the late Rabbi.

1.12 Employee benefits

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.15 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.

1.16 Burial rights

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

1.17 Taxation

As a registered charity the charitable company is exempt from taxation on its activities which fall within the scope of section 505(1) of the Taxes Act 1988 and section 252 of the Taxation of Chargeable Gains Act 1992.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	24,213	97,856	122,069	43,028
Legacies receivable	50,000	-	50,000	500
Membership subscriptions	387,724	-	387,724	413,431
Income tax recoverable on membership subscriptions	76,436	-	76,436	83,883
	<u>538,373</u>	<u>97,856</u>	<u>636,229</u>	<u>540,842</u>
For the year ended 29 February 2016	<u>510,336</u>	<u>30,506</u>		<u>540,842</u>

4 Charitable activities

	Education	Funeral and cemetery	Services and festivals	Total 2017	Total 2016
	£	£	£	£	£
Income within charitable activities	<u>188,713</u>	<u>54,398</u>	<u>16,567</u>	<u>259,678</u>	<u>247,505</u>
For the year ended 29 February 2016					
Unrestricted funds	<u>168,938</u>	<u>55,213</u>	<u>23,354</u>		<u>247,505</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

5 Other trading activities

	2017	2016
	£	£
Fundraising events	12,112	14,569
Rental income	48,634	16,754
Synagogue magazine	2,156	2,577
	<u>62,902</u>	<u>33,900</u>

6 Investments

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Income from listed investments	17,269	-	17,269	16,661
Interest receivable	13	50	63	325
	<u>17,282</u>	<u>50</u>	<u>17,332</u>	<u>16,986</u>
For the year ended 29 February 2016	<u>16,891</u>	<u>95</u>		<u>16,986</u>

7 Other income

	2017	2016
	£	£
Miscellaneous income	<u>3,423</u>	<u>1,127</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

8 Raising funds

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
<u>Governance and other support costs</u>				
Other fundraising costs	4,205	-	4,205	4,298
Support costs	137,360	1,667	139,027	137,313
	<u>141,565</u>	<u>1,667</u>	<u>143,232</u>	<u>141,611</u>
<u>Fundraising costs and publicity</u>				
Other trading activities	12,235	-	12,235	11,755
	<u>5,305</u>	<u>-</u>	<u>5,305</u>	<u>2,960</u>
<u>Investment management</u>				
	<u>159,105</u>	<u>1,667</u>	<u>160,772</u>	<u>156,326</u>
For the year ended 29 February 2016				
Governance and other support costs	121,845	15,468		137,313
Fundraising costs and publicity	16,053	-		16,053
Investment management	2,960	-		2,960
	<u>140,858</u>	<u>15,468</u>		<u>156,326</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

9 Charitable activities

	Education £	Funeral and cemetery £	Services £	Community support £	Total 2017 £	Total 2016 £
Staff costs	118,491	-	117,650	-	236,141	355,711
Depreciation and impairment	1,350	25,020	1,976	-	28,346	26,471
Educational materials and other costs	18,518	-	-	-	18,518	11,035
Security	40,776	-	-	-	40,776	27,182
Undertakers' fees	-	36,928	-	-	36,928	30,202
Contributions to members' funerals	-	28,263	-	-	28,263	26,369
Cemetery repairs and maintenance	-	8,166	-	-	8,166	28,104
Other cemetery costs	-	6,892	-	-	6,892	3,775
Kiddushim, wedding fees and choir costs	-	-	50,820	-	50,820	47,255
	<u>179,135</u>	<u>105,269</u>	<u>170,446</u>	<u>-</u>	<u>454,850</u>	<u>556,104</u>
Grant funding of activities (see note 10)	-	-	-	18,371	18,371	21,187
Share of support costs (see note 11)	24,672	12,998	142,959	25,990	206,619	240,160
Share of governance costs (see note 11)	6,188	2,433	26,777	4,869	40,267	26,093
	<u>209,995</u>	<u>120,700</u>	<u>340,182</u>	<u>49,230</u>	<u>720,107</u>	<u>843,544</u>
Analysis by fund						
Unrestricted funds	208,385	109,063	337,188	32,143	686,779	
Restricted funds	1,610	11,637	2,994	17,087	33,328	
	<u>209,995</u>	<u>120,700</u>	<u>340,182</u>	<u>49,230</u>	<u>720,107</u>	
For the year ended 29 February 2016						
Unrestricted funds	310,072	116,343	310,625	26,593		763,633
Restricted funds	697	10,425	47,602	21,187		79,911
	<u>310,769</u>	<u>126,768</u>	<u>358,227</u>	<u>47,780</u>		<u>843,544</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

10 Grants payable

	2017 £	2016 £
Grants to institutions:		
Board of Deputies of British Jews	8,655	9,916
Exodus 2000	4,000	7,195
Jewish Care	4,172	-
Beth Shalom	-	4,076
Other	1,544	-
	<u>18,371</u>	<u>21,187</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; Exodus 2000 encourages communities in the UK to adopt or to "twin with" communities in the former Soviet Union, Jewish Care is a provider of health and social care services to the Jewish Community while Beth Shalom runs an educational centre, the National Holocaust Centre and Museum.

11 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Staff costs	171,006	19,001	190,007	203,341	Time spent
Depreciation	4,419	45	4,464	6,526	Usage
Premises costs	75,222	-	75,222	66,695	Usage
Administration expenses	28,683	1,735	30,418	36,436	Usage
Movement for Reform	18,000	-	18,000	65,000	Usage
Judaism affiliation fee					
Audit fees	-	17,197	17,197	15,957	Governance
Legal and professional	-	50,636	50,636	9,747	Governance
Trustees' indemnity insurance	-	498	498	389	Governance
	<u>297,310</u>	<u>89,112</u>	<u>386,442</u>	<u>403,567</u>	
Analysed between					
Fundraising	98,456	40,605	139,061	137,313	
Charitable activities	198,874	48,507	247,381	266,254	
	<u>297,310</u>	<u>89,112</u>	<u>386,442</u>	<u>403,567</u>	

Governance costs include payments to the auditors for audit fees of £9,000 and for other services of £8,197.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

12 Council

None of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the year.

13 Employees

	2017	2016
The average number of employees in the year was:		
Services	1	2
Nursery school	4	4
Religious education	-	2
Administration	4	4
Total	9	12
	£	£
Employment costs		
Wages and salaries	385,848	510,362
Social security costs	26,360	36,982
Other pension costs	10,224	11,708
	<u>422,432</u>	<u>559,052</u>

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

	2017 Number	2016 Number
Rabbis - £100,000 to £110,000	<u>1</u>	<u>1</u>

Contributions totalling £8,323 (2016: £11,708) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

14 Net gains/(losses) on investments

	2017	2016
	£	£
Revaluation of investments	85,214	(40,959)
Gain/(loss) on sale of investments	1,682	(3,737)
	<u>86,896</u>	<u>(44,696)</u>

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

15 Intangible fixed assets

	Burial rights £
Cost	
At 1 March 2016 and 28 February 2017	681,437
Amortisation and impairment	
At 1 March 2016	281,113
Amortisation charged for the year	25,020
At 28 February 2017	306,133
Carrying amount	
At 28 February 2017	375,304
At 29 February 2016	400,324

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.

16 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Scrolls, silver & other artefacts £	Total £
Cost					
At 1 March 2016	200,065	221,951	151,550	190,000	763,566
Disposals	-	(2,157)	(39,840)	-	(41,997)
At 28 February 2017	200,065	219,794	111,710	190,000	721,569
Depreciation and impairment					
At 1 March 2016	-	209,519	140,225	-	349,744
Depreciation charged in the year	-	2,401	4,589	-	6,990
Eliminated in respect of disposals	-	(1,989)	(39,736)	-	(41,725)
At 28 February 2017	-	209,931	105,078	-	315,009
Carrying amount					
At 28 February 2017	200,065	9,863	6,632	190,000	406,560
At 29 February 2016	200,065	12,433	11,325	190,000	413,823

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

16 Tangible fixed assets

(Continued)

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 for the purposes of these accounts but the property was sold after the year end for a sum in excess of £6.3 million.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

17 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 28 February 2017	782,216	19,359	801,575
Additions	3,213	6,255	9,468
Valuation changes	85,215	-	85,215
Disposals	(26,870)	-	(26,870)
	<u>843,774</u>	<u>25,614</u>	<u>869,388</u>
Carrying amount			
At 28 February 2017	<u>843,774</u>	<u>25,614</u>	<u>869,388</u>
At 29 February 2016	<u>782,216</u>	<u>19,359</u>	<u>801,575</u>

Investments include £649,746 (2016: £669,028) invested in low risk collective investment schemes and £62,789 (2016: £62,789) 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.

18 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	30,694	52,792
Equity instruments measured at cost less impairment	869,388	801,575
	<u>869,388</u>	<u>801,575</u>
Carrying amount of financial liabilities		
Measured at amortised cost	72,450	80,103
	<u>72,450</u>	<u>80,103</u>

19 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	30,694	52,792
Prepayments and accrued income	18,375	6,627
	<u>49,069</u>	<u>59,419</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

20 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Deferred income	22	22,817	31,285
Other creditors		52,651	59,611
Accruals		19,799	20,492
		<u>95,267</u>	<u>111,388</u>

21 Provisions for liabilities

At 1 March 2016	142,884
Additional provisions in the year	78,509
Utilisation of provision	(41,393)
At 28 February 2017	<u>180,000</u>

The provision relates to a pension and accommodation for the wife of the late rabbi which the Synagogue is committed to provide under a legally binding agreement made in 1971 by the company's predecessors, Hendon Reform Synagogue. The provision is calculated as the estimated total value of future payments that are expected to be made and has not been discounted.

22 Deferred income

	2017 £	2016 £
Other deferred income	<u>22,817</u>	<u>31,285</u>

Deferred income is included in the financial statements as follows:

	2017 £	2016 £
Fee income including subscriptions	<u>22,817</u>	<u>31,285</u>

All of the deferred income in the prior year has been released in the current year.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

23 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:

	Movement in funds			Balance at 28 February 2017
	Balance at 1 March 2016	Incoming resources	Resources expended	
	£	£	£	£
Specific Synagogue purposes	235,693	78,708	(22,340)	292,061
Appeal funds for charitable purposes	66,694	19,198	(12,655)	73,237
	<u>302,387</u>	<u>97,906</u>	<u>(34,995)</u>	<u>365,298</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 (2016: £300,000) from the Sydney Kingsley Trust made to the company's predecessors, Hendon Reform Synagogue, £250,000 (2016: £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 29 February 2017 was ££129,399 (2016: £139,824).

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 £78,658 (2016: £Nil) for education, a benevolent fund of £14,708 raised at the 60th Anniversary Celebrations, £9,565 (2016: £9,565) for youth activities, grants and other donations received of £17,439 (2016: £18,789) for educational purposes, a members support fund of £8,600 (2016: £8,600), £23,648 (2016: £24,180) donated for synagogue improvements and other items and a fund of £3,969 (2016: £4,469) to be used to provide an annual kiddush in accordance with the donor's wishes.

24 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 2017
	Balance at 1 March 2016	Incoming resources	Resources expended	
	£	£	£	£
Funeral fund	<u>180,000</u>	<u>-</u>	<u>-</u>	<u>180,000</u>

A burial fund has been established to provide for the cost of funerals and burial or cremation of members.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

25 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 28 February 2017 are represented by:			
Intangible fixed assets	245,905	129,399	375,304
Tangible assets	402,132	4,428	406,560
Investments	704,071	165,317	869,388
Current assets/(liabilities)	-	66,154	66,154
Provisions	(180,000)	-	(180,000)
	<u>1,172,108</u>	<u>365,298</u>	<u>1,537,406</u>

26 Events after the reporting date

The land and buildings owned by the charity was sold after the year end for a sum exceeding £6.3 million. The sum of £207,000 is contractually payable from these proceeds to a third party.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	<u>109,821</u>	<u>113,716</u>

Mrs D Bright (the wife of a Council Member, Mr P Bright) was employed by the Synagogue as part of the administration team at normal rates and on normal terms. In the previous year she was employed in the religion school. Her salary was £3,712 (2016 - £13,161). No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the year.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

28 Cash generated from operations	2017	2016
	£	£
Surplus/(deficit) for the year	107,072	(204,206)
Adjustments for:		
Investment income recognised in statement of financial activities	(17,332)	(17,079)
Loss on disposal of tangible fixed assets	271	-
(Gain)/loss on disposal of investments	(1,682)	3,737
Fair value gains and losses on investments	(85,214)	40,959
Amortisation and impairment of intangible assets	25,020	25,020
Depreciation and impairment of tangible fixed assets	6,990	8,040
Movements in working capital:		
Decrease/(increase) in debtors	10,350	(16,237)
(Decrease) in creditors	(7,653)	(27,902)
(Decrease)/increase in provisions	37,116	(37,116)
(Decrease)/increase in deferred income	(8,468)	1,911
Cash generated from/(absorbed by) operations	66,470	(222,873)
