



Registered number: 9113305

Charity number: 1159292

The Liberal Jewish Synagogue

(A company limited by guarantee)

Trustees' Report and Financial Statements for the year ended 31 December 2018

| | Page |
|---|-------|
| Reference and administrative details of the charity | 2 |
| Trustees' report | 3-10 |
| Independent auditor's report | 11-13 |
| Statement of financial activities | 14 |
| Statement of financial position | 15 |
| Statement of cash flows | 16 |
| Notes to the financial statements | 17-28 |



The Liberal Jewish Synagogue
REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees

Honorary Officers:

| | |
|----------------------|--|
| Sue Head | Chairman |
| Barbara Fidler | Honorary Treasurer, resigned 20 June 2018 |
| Peter Loble | Honorary Treasurer |
| Chris Godbold | Lead on Governance |
| Karen Newman | Lead on HR |
| Steven Behr | |
| Sue Bolsom | Appointed 20 June 2018 |
| Sylvia Churba | |
| Izzy Davies-Benjamin | Resigned 12 July 2018 |
| David Davidson | |
| Bryan Diamond | Resigned 20 June 2018 |
| Russell Delew | Re-appointed 20 June 2018, resigned 11 April 2019 |
| Harriett Goldenberg | Co-opted 11 April 2019 |
| Benita Hart | Appointed 20 June 2018 |
| Josie Lane | Resigned 20 June 2018 |
| Stephen Laughton | Co-opted 8 February 2018, appointed 20 June 2018, resigned 11 April 2019 |
| Steve Penn | Re-appointed 20 June 2018 |
| David Rigal | Appointed 20 June 2018 |
| Anthony Sefton | |
| Alex Weiss | |

President

Martin Slowe

Honorary Lawyer

Daniel Stenberg

Executive Director

Lysa Schwartz

Company registered number

9113305

Charity registered number

1159292

Registered office

28 St John's Wood Road, London NW8 7HA

Independent auditors

Buzzacott LLP, 130 Wood Street, London EC2V 6DL

Bankers

CAF Bank Ltd, 23 Kings Hill Avenue, West Malling, Kent M19 4JQ

Investment managers

Redmayne Bentley LLP, 9 Bond Court, Leeds, West Yorkshire LS1 2JZ

The Liberal Jewish Synagogue

TRUSTEES' REPORT FOR THE YEAR ENDED

31 DECEMBER 2018

The Trustees are pleased to present their Trustees' Report together with the financial statements of the charitable company for the year ended 31 December 2018.

Vision and values

The Liberal Jewish Synagogue ('the LJS') is the oldest and largest of 40 Liberal Jewish communities in the UK, Republic of Ireland, Holland and Denmark. The synagogue is an inclusive and egalitarian community of Members and Friends, staff and volunteers who seek to sustain and develop the Jewish People's sacred task, which is to build a just and compassionate world that is based on our commitment and responsibility to each other and to the global environment. The leaders of the community strive to enrich and deepen the uniqueness of our identity in a context of shared spirituality and creativity, intellectual challenge and meaningful relationships.

The synagogue's work is guided by its values:

1. The LJS seeks to be a warm, welcoming and compassionate community for all those who wish to engage with Judaism – *Kehillah*.
2. The LJS cherishes meaningful, shared worship and spiritual engagement within the context of Liberal Judaism – *Avodah*.
3. The LJS prioritises life-long learning and the intellectual challenge of Jewish texts, ideas and practice – *Torah*.
4. The LJS nurtures meaningful relationships through pastoral care and spiritual encounter and facilitates social networking – *Gemilut Chasadim*.
5. The LJS values all purposeful activity designed to repair and heal the world – *Tikkun Olam*.
6. The LJS celebrates and commemorates all life cycle events that help to give meaning to people's lives – *Chayyim*.
7. The LJS is committed to transparent and responsible governance of the congregation and financial accountability by its Trustees – *Din v'Cheshbon*.
8. The LJS encourages its Members' contribution to the dynamic growth and development of Liberal Judaism in Europe, Israel and beyond – *Yahadut Mitkademet*.

Activities

Every year, guided by our values, a plan is developed focusing on four strategic areas: religion, learning, community and sustainability. This plan outlines the agreed programme of activities and budget for the year. The annual plan is developed collaboratively by the Council, the Rabbis, Executive Director, senior members of staff and sub-committee chairs. A budget is set in line with the activities, and progress is reviewed regularly by the Senior Professional Team, Honorary Officers, Council and sub-committees.

2018 Highlights

During 2018 some of the highlights and achievements included:

- Stained glass window appeal for the John Rayner Room: launched in December 2017 and fully subscribed and commissioned within four months.
- 'People of the Book': a celebration of LJS authors who came and read from their works.
- Royal Academy of Music students presented a musical evening: all proceeds were shared between the LJS Community Care programme and the Spread a Smile Charity.
- Enhancing our rabbinic team: Rabbi Elana Dellal joined as a part-time rabbi and Rabbi Dr Michael Hilton appointed as its first Scholar in Residence.
- The 2018 *Yom Kippur* appeal raised over £69,000 for four charities based in the UK and Israel.

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

- New GDPR-compliant membership database system: commissioned and installed, funded in part by North London Progressive Synagogue Trust and Shoresh Charitable Trust.
- The Wiener Library for the Study of the Holocaust and Genocide held a special concert, hosted at the LJS, to mark the 80th anniversary of *Kristallnacht* and the start of the *Kindertransport*.
- Over 60 Members and Friends of the LJS joined the World Jewish Relief event, walking 10,000 steps to commemorate the 10,000 children who came to London on the *Kindertransport*.
- The Rt Hon and Rt Revd Dame Sarah Mullally DBE, Bishop of London, was our guest speaker at the annual *Chanukkah* 'Festivals for All' celebration.

Religion (including music)

The provision of religious services for *Shabbat* (Sabbath) and festivals as well as life-cycle celebrations is central to the LJS. During 2018, this included 19 *Bar/Bat Mitzvot*, 2 baby blessings, 4 weddings, including a mixed-faith blessing and 46 funerals, 34 of which were burials at our cemetery in Willesden Green, London. A number of special *Shabbat* services were held, including a communal blessing for everyone celebrating their 90th birthday in 2018.

During 2018, there were changes in our rabbinic team. Rabbi Elana Dellal joined as a part-time rabbi replacing Rabbi Rachel Benjamin who stood down as a member of staff, but continues to contribute to our religious and pastoral care programmes. Student rabbi Igor Zinkov returned to the LJS for his fifth and final year placement.

Music

The LJS has a strong commitment to music with its links to religion, education, community and heritage. During January 2018 our Members' Choir visited and sang with two Liberal Jewish communities in Paris, *Kehilat Geshet* and the *Communauté Juive Libérale*, and then hosted and sang with *Kehilat Geshet* when they visited London in March. As part of our adult education programme, we also held a series of musical study sessions tracing Jewish connections through the art of *Lieder*.

Music also features in fundraising events, held in aid of the LJS or hosted by the LJS, to benefit other charitable organisations. As noted above, in 2018 this included a concert given by Royal Academy of Music students in aid of our Community Care programme and the charity Spread a Smile and the hosting of concert for the Wiener Library to mark the 80th anniversary of *Kristallnacht* and the start of the *Kindertransport*.

Learning

Throughout the year there are numerous opportunities to learn at The Liberal Jewish Synagogue. During 2018 we held 30 weeks of *Rimon*, our religion school for 126 children, guided by qualified teachers and *Rimon*-graduate teaching assistants. The Learning Circle (our adult education programme) runs successful programmes which attract notable guest speakers. During 2018 we welcomed Rabbi Dr Michael Hilton as our first Scholar in Residence, as well as Rabbi Elana Dellal and Igor Zinkov, our student rabbi, to the educational team, led by Senior Rabbi Alexandra Wright.

The LJS Nursery School, established in 2004, is open to Members and Non-members. It received an 'Outstanding' assessment by OFSTED at its most recent review. In 2018 up to 46 children aged 2-5 years enjoyed attending the nursery. Parents were guided to choose the best feeder schools for their children, with 5 children gaining places at the two most sought after schools in the area.

Education was the theme of our 2018 Passover Appeal which raised £1,375 to support the running of our education programmes. We also received an additional donation of more than £4,000 and a gift of 10 tablet computers for use in *Rimon* classes.

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

Community

The LJS offers a wide range of social and cultural activities for the whole community, as well as pastoral care for those in need. In addition to our own activities, we work in partnership with local organisations to provide public benefit for the isolated, elderly and disabled and for asylum-seeking families. A small number of charities hire rooms at the LJS at a preferential rate, to run their own gatherings and meetings. Organisations such as St John's Wood Women's Group, Raphael Counselling, and St John's Hospice, have been using the LJS for many years.

Sustainability

Sustainability is important to the LJS. This can be seen in many ways, ranging from reducing our plastic and paper use, to renewing the synagogue's infrastructure. In 2017 we embarked on a five-year programme to update and upgrade our building which opened in 1991. During 2018 we installed a new GDPR-compliant membership database, redecorated several classrooms, and planned the replacement boiler system, (which will be completed in 2019). We also invested in training in first aid, fire safety and safeguarding skills for both staff and volunteers.

To help defray the running costs of the building, the LJS hires out rooms to Members and non-Members and other organisations to host their own events such as *Bnei Mitzvot* and family celebrations, educational classes, social groups and meetings.

Public benefit

In addition to its religious and educational aims, the LJS functions as a centre for communal activities to which the wider community are regularly welcomed. This includes social activities such as bridge, a monthly video and tea, and the Out and About Club which provides fortnightly entertainment for elderly, disabled, and often isolated, members of the local community. The LJS organises a monthly Drop-in for Asylum Seeking Families for over 170 adults and their children. Members and Friends give financial support and donate food and clothing. These activities are led and run by over 200 volunteers, donating their time on a regular basis.

Many events support inter-faith initiatives such as our community 'Festival for All' to celebrate *Chanukkah*. In addition to our direct involvement in support of the London Council of Christians and Jews, the LJS works with neighbouring churches and mosques, meeting regularly with religious leaders to discuss issues of local and national concern or interest.

In developing the objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on Public Benefit, including the guidance 'Public benefit: running a charity (PB2)' and confirm that they have complied with section 4 of the Charities Act 2006, including its supplementary guidance on the advancement of religion for the public benefit.

Plans for 2019

Our priorities for the coming year, in line with our Strategic Plan include:

- **Religion:** Delivering *Shabbat*, festivals and special services.
- **Learning:** Continuation of the successful *Rimon* Religion School and the LJS Nursery programmes. We will also expand the range of adult education with additional programmes and lectures.
- **Community:** The programme of social activities and pastoral care will continue to be provided, reviewed and developed to ensure it meets the needs of the LJS and the local community.
- **Sustainability:** The budget for 2019 includes investment in the building's infrastructure and a review of the governance structure.

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

Working in partnership

The charity is the flagship synagogue of the Liberal Judaism movement. We provide financial and other support to Liberal Judaism (the umbrella organisation of Liberal synagogues in the UK and parts of Europe). Through Liberal Judaism, we also support Leo Baeck College, which is the primary academic and education source for European Progressive Judaism and where all Progressive Rabbis are trained. The LJS is a member of the European Union of Progressive Judaism and the World Union for Progressive Judaism. We are also members of the UK Board of Deputies of British Jews with four members of our congregation serving as representatives. This ensures that the voice of the LJS is heard within the umbrella group that speaks for the British Jewish community.

Volunteers

Volunteering is at the heart of the charity. Members and Friends volunteer for the LJS in many ways: from assisting with community care, security, serving as a greeter for services, to helping with the flowers, the coffee rota, archives or library. In addition, many Members volunteer to act as Trustees and to sit on a wide range of committees and working groups, where they can use their specialist knowledge and contribute to the pastoral and social activities of the synagogue. The LJS also offers volunteer work-experience to adults with learning disabilities who attend from the nearby Lisson Grove Hub. Further information about how the charity benefits from its volunteers can be found in more detail in the *LJS Annual Review*.

Fundraising

The LJS is dependent upon the contribution of membership fees to meet its general running costs, such as rabbinic, teaching and administrative salaries, and overheads for the building and cemetery in Pound Lane, Willesden. During 2018 we instituted an additional optional payment to support the refurbishment of parts of the infrastructure of our beautiful building. A significant proportion of our Members and Friends pay specially agreed reduced rates. No one is ever excluded on their ability to pay.

We are fortunate that some Members of the synagogue make additional donations to assist those who are unable to pay the full fees. The President's Patrons Fund, led by President Martin Slowe, also encourages Members to make an ongoing substantial financial commitment to support the sustainability of the LJS. In 2018 we received some legacies and additional general donations of money and gifts of books, teaching materials and furniture. All these donations are much appreciated by the Trustees of the synagogue.

Some of our activities could not run without internal fundraising campaigns and events. We are grateful to the continuing project funding provided by the Eranda Rothschild Foundation, Pears Foundation, and Ernest Hecht Charitable Foundation. As noted above, we were fortunate to receive funding from North London Progressive Synagogue Trust and Shoresh Charitable Trust for our new membership database programme.

Donations are raised from our Members and Friends to support other charities. Each year voluntary fees are donated in support of the Board of Deputies. The LJS makes an annual appeal to Members at the High Holy Days on behalf of four charities: one Anglo-Jewish, one based in Israel, one UK non-Jewish charity plus the United Jewish Israel Appeal. In 2018, over £69,000 was raised and distributed from this appeal. The LJS also makes an annual grant contribution to support the Liberal Judaism movement.

The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data. The charity adheres to the Fundraising Regulator Code of Fundraising Practice. It applies best practice to protect supporters' data: it never sells data or swaps data with other organisations, and ensures that communication preferences can be changed at any time. The LJS manages its own fundraising and does not employ professional fundraisers. The LJS undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2018, the charity received no complaints about its fundraising activities.

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

Structure, governance, and management

Governing document

The Liberal Jewish Synagogue is a company limited by guarantee (company number 9113305) governed by its Memorandum and Articles of Association dated 31 October 2014. This limited company was also registered as a charity (charity number 1159292) with the Charity Commission in November 2014. Prior to incorporation the LJS was an unincorporated charitable organisation.

Organisation

The members of the Council act as Trustees and administer the charity and also act as the Directors of the charitable company. The Council can have up to 19 members and meets monthly (except August). Wherever possible, the Chairs of the main Council committees are Council Members. All committees and working groups meet on a regular basis and provide recommendations to the Council for decision-making. The Council appoints an Executive Director to act in stewardship and manage the day-to-day running of the organisation. The Executive Director has delegated authority, as approved by the Trustees, for operational matters. The Trustees believe that there is appropriate governance, organisational model and staffing structure in place to monitor and support the activities undertaken by our staff and volunteers.

Appointment of Trustees

The charity is a religious institution, and there is a requirement to be of the Jewish faith to be a Member. Only Members of the Liberal Jewish Synagogue can be elected to the Council. Trustees (Council members) are elected by the members of the LJS by a show of hands at the Annual General Meeting (AGM). Trustees are elected to serve for three years, to a maximum of two terms. Any Trustee who has served six or more years cannot stand for re-election until at least one more year has passed, unless he or she is an Honorary Officer. When vacancies for new Council members arise, a notice calling for nominations is issued and communicated widely.

The Council elects from its members a Chairman, Honorary Treasurer and any other positions, as agreed by Council, to constitute the Honorary Officers. Council delegates the running of the organisation to the Honorary Officers, subject to their overall supervision and monitoring of the financial position.

Trustee induction and training

Training for Trustees is by practice and informal mentorship from other Trustees. Before standing for election members are encouraged to serve on committees. New Trustees are given an induction pack comprising a copy of the Charity Commission 'Welcome Pack for New Trustees', a copy of the LJS Constitution, the minutes of at least three Council meetings and a Charity Trustee form stating that they acknowledge and accept their responsibilities as Trustees, which they must sign and return. They also attend briefing sessions.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as a Trustee for the charity without approval. Only expenses incurred in the performance of Trustees' duties can be reimbursed. Any connection between a Trustee or a member of staff of the charity must be disclosed to the Council in the same way as any other contractual relationship with a related party.

In the current year any related party transactions are reported in Note 20 to the accounts. Council is careful to monitor for any potential conflict of interest and respond accordingly. In 2018 one of our Trustees was elected as Vice Chair of Liberal Judaism (reported in Note 20).

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

Financial review

The financial statements have been prepared in accordance with the accounting policies set out in Note I and comply with the Memorandum and Articles of Association, 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).

The financial results for the year to 31 December 2018 are shown in the Statement of Financial Activities on page 14 and the Statement of Financial Position is shown on page 15. The net expenditure for the year is £47,448 (2017: £54,176). This loss is a consequence of the financial markets as our investments produced a loss for the year of £77,304 (2017: gains of £110,079). Since the year end this loss has been recovered. More importantly, we are pleased to report that the general activities returned to almost break-even with a net expenditure before investment losses of £2,036 compared with a £167,130 deficit in 2017.

Incoming resources increased by 4% for the year, £1,827,479 (2017: £1,758,106). This year, The LJS experienced a substantial increase in donations (2018: £212,472, 2017: £135,184) due to the President's Patron Fund. The increase in income from charitable activities of around £31,000 is mainly due to burial fees and a small increase in other synagogue activities.

Expenditure decreased by over 6% for the year totalling £1,797,623 in 2018, (2017: £1,925,236). There were no major refurbishment costs this year compared with 2017 when the kitchen was completed. There was an increase in the year in governance due to more accurate allocation of these costs and additional compliance costs (2018: £33,807, 2017: £20,192). Salaries increased by £844,348 (2017: £787,657) due to new staff, a modest wage increase in line with inflation and additional auto-enrolment pension contributions.

Investment policy

The Investment Committee, which is a sub-committee of the Finance Committee, includes the Honorary Treasurer and Members invited for their expertise and knowledge of finance and investments. Redmayne Bentley LLP, our investment managers, continued to follow the Council's agreed policy of investing in ethical investments. The investment committee is in regular contact with our investment managers and the group meets regularly to discuss both the investments held and their performance.

Reserves policy

The policy of the Trustees is to maintain a level of reserve that will provide a stable base from which to fund the charity's future activities, including capital expenditure. The target set is £350,000 which represents three months' expenditure. At 31 December 2018, the charity had free reserves comprising the unrestricted funds less tangible fixed assets amounting to £1,970,530 (2017 £2,002,461) that could be drawn upon if required by the Trustees for specific purposes as agreed by them. If cash is required to meet our requirements, this can be realised from investments, including property. Details of both Unrestricted and Restricted Funds are summarised in Note 17 to the accounts.

Risk management

The Trustees have a risk management strategy which comprises:

- an annual assessment of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those identified risks; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The LJS Risk Register is regularly reviewed and updated by the Finance Committee, Honorary Officers, Chairs of Committees and the Executive Director. This register sets out the major risks to which the Charity is

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

exposed and systems which have been established to mitigate those risks.

The recruitment of experienced volunteers and well-trained staff remains a key priority for the charity. The Council and senior staff regularly consider the implications for attracting and supporting qualified people and have agreed processes in place to assist with this.

Long-term financial sustainability is also a major risk for the charity. Membership fees are the major source of income for the charity and during 2018 improvements were introduced to encourage prompt payment and to agree any case-by-case adjustments according to Members' needs. Internal financial management risks are reduced by the implementation of procedures for authorisation of all transactions. Budgets are set for all major areas of expenditure, and management accounts produced on a quarterly basis. The Executive Director meets and speaks regularly with the Honorary Officers and all financial details are regularly monitored by them.

Internal financial management risks are reduced by the implementation of procedures for authorisation of all transactions. Budgets have been set for all areas of expenditure this year, which will be monitored by senior management, the Finance Committee, Honorary Officers and the Council.

Attention has also been focused on mitigating non-financial risks arising from child protection, fire, health and safety, security and vulnerable adult safeguarding which are dealt with by committees and groups of volunteers. This is overseen by the senior management, Honorary Officers and the Council.

Trustees' responsibilities statement

The Trustees (who are also directors of The Liberal Jewish Synagogue for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 Ireland (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Liberal Jewish Synagogue
TRUSTEES' REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

Disclosure of information to the auditor

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of S418 of the Companies Act 2006.

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

Buzzacott LLP were appointed in November 2018 as auditor to the charity and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be proposed to Members in 2020.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 13 June 2019 and signed on its behalf by:



Sue Head
Chairman

The Liberal Jewish Synagogue
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LIBERAL JEWISH SYNAGOGUE

Opinion

We have audited the financial statements of the Liberal Jewish Synagogue (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

The Liberal Jewish Synagogue
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LIBERAL JEWISH SYNAGOGUE (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report and the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The Liberal Jewish Synagogue
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LIBERAL JEWISH SYNAGOGUE (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London EC2V 6DL



The Liberal Jewish Synagogue
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2018

| | Note | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| INCOME FROM | | | | | | | |
| Donations and legacies | 2 | 864,695 | 83,369 | 948,064 | 801,817 | 123,258 | 925,075 |
| Fundraising | 3 | 2,302 | – | 2,302 | – | 14,576 | 14,576 |
| Investments | 4 | 95,711 | – | 95,711 | 68,360 | – | 68,360 |
| Charitable activities | 5 | 781,402 | – | 781,402 | 750,095 | – | 750,095 |
| TOTAL INCOME | | 1,744,110 | 83,369 | 1,827,479 | 1,620,272 | 137,834 | 1,758,106 |
| EXPENDITURE ON | | | | | | | |
| Charitable activities | 6 | 1,718,696 | 78,927 | 1,797,623 | 1,735,070 | 190,166 | 1,925,236 |
| TOTAL EXPENDITURE | | 1,718,696 | 78,927 | 1,797,623 | 1,735,070 | 190,166 | 1,925,236 |
| NET INCOME (EXPENDITURE) BEFORE INVESTMENT (LOSSES) GAINS | | | | | | | |
| | | 25,414 | 4,442 | 29,856 | (114,798) | (52,332) | (167,130) |
| NET (LOSSES) GAINS ON INVESTMENTS | 12 | (77,304) | – | (77,304) | 110,079 | – | 110,079 |
| NET (EXPENDITURE) INCOME FOR THE YEAR | | | | | | | |
| | | (51,890) | 4,442 | (47,448) | (1,844) | (52,332) | (54,176) |
| Transfers between funds | 17 | 4,015,312 | (4,015,312) | – | 6,397 | (6,397) | – |
| NET MOVEMENT IN FUNDS | | 3,963,422 | (4,010,870) | (47,448) | 4,553 | (58,729) | (54,176) |
| RECONCILIATION OF FUNDS | | | | | | | |
| Total funds brought forward | | 2,677,589 | 4,156,312 | 6,833,901 | 2,673,036 | 4,215,041 | 6,888,077 |
| TOTAL FUNDS AT 31 DECEMBER 2018 | | 6,641,011 | 145,442 | 6,786,453 | 2,677,589 | 4,156,312 | 6,833,901 |

All income and expenditure derives from continuing activities.


The notes on pages 17 to 28 form part of these financial statements.


The Liberal Jewish Synagogue
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

Company registered number: 9113305
 Charity registered number: 1159292

| | Note | 2018 | | 2017 | |
|---|------|------|-------------------------|------|-------------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 4,642,320 | | 4,662,279 |
| Heritage assets | 11 | | 54,450 | | 54,450 |
| Investments | 12 | | <u>2,306,368</u> | | <u>2,344,065</u> |
| | | | 7,003,138 | | 7,060,794 |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | | - | | 3,495 |
| Debtors | 14 | | 197,037 | | 131,212 |
| Cash at bank and in hand | | | <u>226,160</u> | | <u>389,371</u> |
| | | | 423,197 | | 524,078 |
| CREDITORS: Amounts falling due within one year | 15 | | (189,882) | | (300,971) |
| NET CURRENT ASSETS | | | 233,315 | | 223,107 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 7,236,453 | | 7,283,901 |
| Provisions for liabilities | 16 | | <u>(450,000)</u> | | <u>(450,000)</u> |
| NET ASSETS | | | <u>6,786,453</u> | | <u>6,833,901</u> |
| CHARITY FUNDS | | | | | |
| Restricted Funds | 17 | | 145,442 | | 4,156,312 |
| Unrestricted funds | 17 | | <u>6,641,011</u> | | <u>2,677,589</u> |
| TOTAL FUNDS | | | <u>6,786,453</u> | | <u>6,833,901</u> |

The financial statements were approved by the Trustees on 13 June 2019 and signed on their behalf by:


 Sue Head
 Chairman


 Chris Godbold
 Honorary Officer

The notes on pages 17 to 28 form part of these financial statements.

The Liberal Jewish Synagogue
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2018

| | 2018 £ | 2017 £ |
|--|------------------|------------------|
| Cash flows from operating activities | | |
| Net expenditure for the year | (47,448) | (54,176) |
| Adjustment for: | | |
| Depreciation charges | 33,146 | 29,303 |
| Interest and dividends receivable | (47,956) | (36,187) |
| Rent received | (47,756) | (32,173) |
| Net losses/(gains) on investments | 77,304 | (112,954) |
| Decrease in stock | 3,495 | - |
| (Increase) in debtors | (65,825) | (68,628) |
| Decrease in creditors | (111,089) | (308,361) |
| Increase in pension costs provision | - | 4,000 |
| Net cash utilised in operating activities | (206,129) | (579,176) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (13,187) | (75,531) |
| Purchase of investments | (842,217) | (1,153,484) |
| Proceeds from sale of investments | 828,777 | 1,085,995 |
| Dividend and interest receipts | 47,956 | 36,187 |
| Rent received | 47,756 | 32,173 |
| Net cash used in investing activities | 69,085 | (74,660) |
| Total Cash Flows | (137,044) | (653,836) |
| Cash and cash equivalents at 1 January 2018 | 392,512 | 1,046,348 |
| Cash and cash equivalents at 31 December 2018 | 255,468 | 392,512 |
| Cash at bank and short term deposits | | |
| Cash at bank and in hand | 226,160 | 389,371 |
| Cash held by investment managers | 29,308 | 3,141 |
| Cash and cash equivalents at 31 December 2018 | 255,468 | 392,512 |

The notes on pages 17 to 28 form part of these financial statements.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018

1 ACCOUNTING POLICIES

1.1 Statement of compliance

The financial statements have been prepared 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Liberal Jewish Synagogue meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The accounts are presented in Sterling and are rounded to the nearest pound.

1.2 Company information

The Liberal Jewish Synagogue is a private company limited by guarantee and incorporated in England. Its registered office and principal place of business is 28 St John's Wood Road, London, NW8 7HA.

1.3 Fund accounting

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

The general fixed asset fund represents the net book value of tangible fixed assets and heritage assets which are readily realisable in pursuit of the charity's day-to-day operation.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

Transfer between funds occur for a number of reasons including when funds are closed on completion of a project, when fixed assets are purchased or when Trustees decide to release funds from a designated fund.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from charitable activities relates mainly to fees received in respect of the LJS Nursery School, cemetery fees, and payments for books and materials for *Rimon* Religion School students, venue hire and synagogue activities.

Interest on funds held at the bank on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared. Interest and dividends from the investment portfolio are recognised on notification by our investment manager (Note 12).

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

1 ACCOUNTING POLICIES (continued)

Investment income relates to rental income, income from an associated company, dividends and interest received in relation to fixed asset investments held by the charity.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Support costs are allocated to charitable costs in total. Irrecoverable VAT is included with the expense item to which it relates.

Governance costs are the costs of providing information to and attendance at trustees' meetings and public accountability.

1.6 Going concern

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

1.7 Tangible fixed assets and depreciation

The charity's freehold property comprises land and buildings including subsequent improvements to the property. Depreciation is not charged on the land element, which is instead subject to impairment review. No depreciation charge is made against the building and improvements as it is considered that the residual value of these is at least as great as the carrying value and not materially different to cost.

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

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

| | |
|------------------------|------------|
| Fixtures and fittings: | 4% to 20% |
| Computer equipment: | 25% to 33% |

1.8 Heritage Assets

Heritage assets are assets of historical or religious importance that are held to further the preservation, conservation and education objectives of the synagogue and contribute to culture and activities. They are capitalised immediately on purchase or receipts of donation, and held at cost as depreciation is not considered to be material. The Trustees perform an annual impairment review and depreciation is charged only if significant impairment is found to have occurred.

1.9 Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently measured at their fair value as at the reporting date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment property is initially recognised at cost. After recognition, it is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised through profit or loss.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value on a first in first out basis.

1.11 Debtors

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

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

1 ACCOUNTING POLICIES (continued)

1.12 Cash at Bank and in hand

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

1.13 Creditors

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the charity a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to statement of financial activities in the year that the charity becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Contingent liabilities are not recognised. They arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date, or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the charity's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow is remote.

When payments are eventually made, they are charged to the provision carried in statement of financial position.

1.15 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Accruals: The charity makes an estimate of accruals at the year-end based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

Tangible fixed assets: Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are considered.

Provision for future pension costs

The charity has made an estimate of the future costs required to fund the deficit on the pension scheme. The original provision was based on an actuarial valuation. The provision is stated at that amount less subsequent payments made to reduce the liability.

In the interest of consistency, where we have made improvements to the layout or substance of the accounts we applied the same approach to the previous year (for comparative purposes). Presentational improvements do not affect the overall outcome.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

2 INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|---------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Membership fees receivable | 613,826 | – | 613,826 | 614,389 | – | 614,389 |
| Donations | 212,472 | – | 212,472 | 135,184 | – | 135,184 |
| Restricted donations and grants | – | 83,369 | 83,369 | – | 123,258 | 123,258 |
| Legacies | 38,397 | – | 38,397 | 52,244 | – | 52,244 |
| | 864,695 | 83,369 | 948,064 | 801,817 | 123,258 | 925,075 |

3 FUNDRAISING EVENT INCOME

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|--------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Fundraising event income | 2,302 | – | 2,302 | – | 14,576 | 14,576 |

One event was held in 2018 specifically to raise money for LJS community activities.

4 INVESTMENT INCOME

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Investment property rental income | 26,103 | – | 26,103 | 21,667 | – | 21,667 |
| Blazer Court income | 21,653 | – | 21,653 | 10,506 | – | 10,506 |
| Interest and dividends receivable | 47,955 | – | 47,955 | 36,187 | – | 36,187 |
| | 95,711 | – | 95,711 | 68,360 | – | 68,360 |

5 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Nursery school | 401,217 | – | 401,217 | 419,948 | – | 419,948 |
| Cemetery | 265,271 | – | 265,271 | 219,835 | – | 219,835 |
| Religion school | 32,499 | – | 32,499 | 38,116 | – | 38,116 |
| Venue hire | 32,700 | – | 32,700 | 33,992 | – | 33,992 |
| High Holy Day tickets | 17,102 | – | 17,102 | 20,995 | – | 20,995 |
| Other synagogue activities | 32,613 | – | 32,613 | 17,209 | – | 17,209 |
| | 781,402 | – | 781,402 | 750,095 | – | 750,095 |

Other synagogue activities include book sales and wedding fees.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

6 CHARITABLE EXPENDITURE

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Wages and salaries | 843,078 | 1,270 | 844,348 | 787,657 | – | 787,657 |
| National insurance | 71,172 | – | 71,172 | 69,220 | – | 69,220 |
| Pension costs | 74,761 | – | 74,761 | 70,111 | – | 70,111 |
| Administration | 152,414 | – | 152,414 | 154,896 | – | 154,896 |
| Building and facilities | 146,058 | – | 146,058 | 231,914 | 38,297 | 270,211 |
| Cemetery | 96,833 | – | 96,833 | 82,580 | – | 82,580 |
| Nursery school | 37,880 | – | 37,880 | 32,757 | – | 32,757 |
| Restricted fund activities | – | 77,657 | 77,657 | – | 151,869 | 151,869 |
| Choir and musicians | 45,479 | – | 45,479 | 58,211 | – | 58,211 |
| Rabbinic | 16,201 | – | 16,201 | 8,504 | – | 8,504 |
| Education | 17,322 | – | 17,322 | 18,812 | – | 18,812 |
| Other costs | 49,531 | – | 49,531 | 71,947 | – | 71,947 |
| Auditor's remuneration | 9,480 | – | 9,480 | 10,966 | – | 10,966 |
| Governance | 33,807 | – | 33,807 | 20,192 | – | 20,192 |
| Liberal Judaism | 91,534 | – | 91,534 | 88,000 | – | 88,000 |
| Depreciation | 33,146 | – | 33,146 | 29,303 | – | 29,303 |
| | 1,718,696 | 78,927 | 1,797,623 | 1,735,070 | 190,166 | 1,925,236 |

7 AUDITOR'S REMUNERATION

The auditor's remuneration amounted to £9,480 (2017: £10,966).

8 ALLOCATION OF STAFF

The average monthly number of employees was 55 (2017: 58), of which 11 were full time (2017: 12), 44 were part time (2017: 46). Of these, 28 are staff who work during term time as teachers in the LJS Nursery or the *Rimon* religion school. During 2018 the LJS offered 18 young people the opportunity to work as teaching assistants in *Rimon*. They receive a stipend for each session they work.

| | 2018 FTE | 2017 FTE |
|--|-------------|-------------|
| The number of full-time equivalents was: | | |
| Rabbinic (including music and administration) | 3.6 | 3.2 |
| Education (including nursery and administration) | 11.7 | 13.7 |
| All other charitable activities and administration | 7.1 | 7.0 |
| Cemetery | 3.6 | 3.6 |
| | 26.0 | 27.5 |

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

| | | |
|------------------------------|----------------|----------------|
| 9 STAFF COSTS | 2018 | 2017 |
| Staff costs were as follows: | £ | £ |
| Wages and salaries | 844,348 | 787,657 |
| Employers NIC | 71,172 | 69,220 |
| Other pension costs | 42,460 | 35,599 |
| | 957,980 | 892,476 |

| | | |
|--|-------------|-------------|
| | 2018 | 2017 |
| The number of higher paid employees was: | No. | No. |
| In the band £60,001 - £70,000 | 1 | 1 |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |

There are three key management personnel within the charity. During the year, they received remuneration of £210,890 (2017: £203,438) including salary, employer's NI and employer's pension.

10 TANGIBLE FIXED ASSETS

| | Freehold property | Fixtures and fittings | Computer equipment | Total |
|----------------------------|----------------------|--------------------------|-----------------------|------------------|
| Cost | £ | £ | £ | £ |
| At 1 January 2018 | 4,477,426 | 261,906 | 14,045 | 4,753,377 |
| Additions | – | 10,188 | 2,999 | 13,187 |
| At 31 December 2018 | 4,477,426 | 272,094 | 17,044 | 4,766,564 |
| Depreciation | | | | |
| At 1 January 2018 | – | 87,632 | 3,466 | 91,098 |
| Charge for the year | – | 29,860 | 3,286 | 33,146 |
| At 31 December 2018 | – | 117,492 | 6,752 | 124,244 |
| At 31 December 2018 | 4,477,426 | 154,602 | 10,292 | 4,642,320 |
| At 31 December 2017 | 4,477,426 | 174,274 | 10,579 | 4,662,279 |

| | | |
|--|---------------|-------------|
| 11 HERITAGE ASSETS | 2018 | 2017 |
| | £ | £ |
| Cost | | |
| At 1 January 2018 and 31 December 2018 | 54,450 | 54,450 |

The figure represents the cost of the Shoah Memorial which was designed by Anish Kappor and dedicated on 10 November 1996. The memorial is very important to the LJS and its members given the significance of the Holocaust to the Jewish experience of the 20th Century.

In addition, the LJS holds a collection of paintings and other artefacts. These are not included in the balance sheet as historic cost information is not available and they are not considered to be of significant value to the open market, being of particular relevance to The Liberal Jewish Synagogue.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

| 12 FIXED ASSET INVESTMENTS | Investment Property | Listed Securities | Unlisted Securities | Total |
|---|--------------------------------|------------------------------|--------------------------------|------------------|
| Market Value | £ | £ | £ | £ |
| At 1 January 2018 | 538,655 | 1,802,267 | 2 | 2,340,924 |
| Additions | – | 842,217 | | 842,217 |
| Disposals (proceeds: £828,777, realised losses: £24,432) | – | (853,209) | | (853,209) |
| Unrealised gains on investments | – | (52,872) | | (52,872) |
| | – | – | | – |
| At 31 December 2018 | 538,655 | 1,738,403 | 2 | 2,277,060 |
| Cash held by investment manager | – | 29,308 | | 29,308 |
| | – | – | | – |
| At 31 December 2018 | 538,655 | 1,767,711 | 2 | 2,306,368 |

Investments at fair value comprise:

| | 2018 | 2017 |
|--------------------------|------------------|------------------|
| | £ | £ |
| Investment property | 538,655 | 538,655 |
| Listed investments | 1,738,403 | 1,802,267 |
| Surplus cash | 29,308 | 3,141 |
| Unquoted investments | 2 | 2 |
| Total investments | 2,306,368 | 2,344,065 |

The unlisted investment is in Eljayess Enterprises Limited, a wholly owned subsidiary of the LJS, which did not trade during the year. Blazer Court Ltd is a subsidiary created to service the residential property above the synagogue through resident management charges. This has not been consolidated as it is not a beneficially owned company.

| FIXED ASSET INVESTMENTS | Investment Property | Listed Securities | Unlisted Securities | Total |
|--|--------------------------------|------------------------------|--------------------------------|------------------|
| Market Value | £ | £ | £ | £ |
| At 1 January 2017 | 538,655 | 1,621,826 | 2 | 2,160,483 |
| Additions | – | 1,153,482 | | 1,153,482 |
| Disposals (proceeds: £1,085,995 realised gains: £2,875) | – | (1,083,120) | | (1,083,120) |
| Unrealised gains on investments | – | 110,079 | | 110,079 |
| | – | – | | – |
| At 31 December 2017 | 538,655 | 1,802,267 | 2 | 2,340,924 |
| Cash held by investment manager | – | 3,141 | | 3,141 |
| | – | – | | – |
| At 31 December 2017 | 538,655 | 1,805,408 | 2 | 2,344,065 |

Investments at fair value comprise:

| | 2017 |
|--------------------------|------------------|
| | £ |
| Investment property | 538,655 |
| Listed investments | 1,802,267 |
| Surplus cash | 3,141 |
| Unquoted investments | 2 |
| Total investments | 2,344,065 |

| 13 STOCKS | 2018 | 2017 |
|------------------|-------------|-------------|
| | £ | £ |
| Books for resale | – | 3,495 |

The stock of books held at 31 December 2018 are limited and the residual value is deemed to be £nil.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

| | | | |
|--|--|----------------|----------------|
| 14 DEBTORS | | 2018 | 2017 |
| | | £ | £ |
| Trade debtors | | 26,425 | 39,147 |
| Other debtors | | 129,067 | 61,582 |
| Prepayments and accrued income | | 41,545 | 30,483 |
| | | 197,037 | 131,212 |
| | | | |
| 15 CREDITORS | | 2018 | 2017 |
| | | £ | £ |
| Amounts falling within one year | | | |
| Trade creditors | | 44,577 | 36,689 |
| Other taxation and social security | | 21,760 | 23,096 |
| Other creditors | | 20,400 | 91,368 |
| Accruals and deferred income | | 103,145 | 149,818 |
| | | 189,882 | 300,971 |
| | | | |
| 16 PROVISION FOR LIABILITIES | | 2018 | 2017 |
| | | £ | £ |
| At 1 January | | 450,000 | 446,000 |
| Increase in pension provision | | - | 4,000 |
| | | 450,000 | 450,000 |

The above provision is based on an actuarial valuation as at 31 December 2018 which noted a deficit of £450,000. The provision for this deficit was calculated in accordance with the provisions under FRS 102 and represents unfunded pension liabilities outside of a pension scheme. There have been no material changes in the provision during the year ended 31 December 2018.

17 STATEMENT OF FUNDS
Unrestricted Funds 2018

| | At 1 | | | Transfers | Gains / | December |
|---|------------------|------------------|--------------------|--------------------|-----------------|------------------|
| | January | Income | Expenditure | in/ out | (Losses) | 2018 |
| | 2018 | £ | £ | £ | £ | £ |
| Cemetery Improvement Fund | - | (1,663) | (3,135) | 4,798 | - | - |
| Dr Max Hulbert Legacy Fund | 128,016 | - | - | - | - | 128,016 |
| Olga Field Fund | 162,123 | - | - | - | - | 162,123 |
| The LJS Centenary and Rabbi John Rayner Memorial Fund | 5,601 | - | - | - | - | 5,601 |
| Robson Avenue Development Fund | 1,548,658 | - | - | (1,548,658) | - | - |
| Rosa Mintz Legacy Fund | 33,128 | - | (650) | - | - | 32,478 |
| LJS Building Renewal Fund | - | 18,802 | - | - | - | 18,802 |
| General Legacy Fund | 343,461 | 38,397 | - | - | - | 381,858 |
| | 2,220,987 | 55,536 | (3,785) | (1,543,860) | - | 728,878 |
| | | | | | | |
| General Funds | 456,602 | 1,688,574 | (1,714,911) | 862,402 | (77,304) | 1,215,363 |
| General Fixed Asset Fund | - | - | - | 4,696,770 | - | 4,696,770 |
| | | | | | | |
| Total Unrestricted Funds | 2,677,589 | 1,744,110 | (1,718,696) | 4,015,312 | (77,304) | 6,641,011 |

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

17 STATEMENT OF FUNDS (continued)
Unrestricted Funds 2017

| | At 1 January 2017 £ | Income £ | Expenditure £ | Transfers in/ out £ | Gains / (Losses) £ | At 31 December 2017 £ |
|--|------------------------------|------------------|--------------------|---------------------------|--------------------------|--------------------------------|
| Cemetery Improvement Fund | 2,648 | – | (2,659) | 11 | – | – |
| Dr Max Hulbert Legacy Fund | 130,037 | – | (2,021) | – | – | 128,016 |
| Olga Field Fund | 162,123 | – | – | – | – | 162,123 |
| The LJS Centenary and Rabbi John Rayner Memorial Fund | 5,549 | 52 | – | – | – | 5,601 |
| The LJS Centenary: Building Amortisation | 299,572 | – | – | (299,572) | – | – |
| Robson Avenue Development Fund | 1,550,458 | – | (1,800) | – | – | 1,548,658 |
| Rosa Mintz Legacy Fund | 33,128 | – | – | – | – | 33,128 |
| LJS Building Renewal Fund | – | – | – | – | – | – |
| General Legacy Fund | 384,824 | 52,244 | – | (93,607) | – | 343,461 |
| | <u>2,568,339</u> | <u>52,296</u> | <u>(6,480)</u> | <u>(393,168)</u> | <u>–</u> | <u>2,220,987</u> |
| General Funds | 104,697 | 1,567,976 | (1,728,590) | 399,565 | 112,954 | 456,602 |
| Total Unrestricted Funds | <u>2,673,036</u> | <u>1,620,272</u> | <u>(1,735,070)</u> | <u>6,397</u> | <u>112,954</u> | <u>2,677,589</u> |

Unrestricted Funds 2018

Cemetery Improvement Fund: established in 1998, this reserve is to fund the possible acquisition of a new cemetery site or, if this purpose is too remote, then to fund the amortisation of the major capital works of improving the existing cemetery at Pound Lane, Willesden. During 2018 these funds were fully utilised.

Dr Max Hulbert Legacy Fund: the income arising from this unrestricted fund is used for publications and the intellectual promotion of Liberal Judaism.

Olga Field Fund: is currently used to further the religious and charitable work of the LJS in relation to the elderly Members of the community but is not restricted to this purpose.

The LJS Centenary and Rabbi John Rayner Memorial Fund: this unrestricted fund was established in memory of Rabbi John Rayner and to mark the Centenary of the LJS. The remaining funds will be used in 2019 for the installation of a stained glass window to mark the completion of the small sanctuary named in memory of Rabbi John Rayner.

Robson Avenue Development Fund: this fund was established during the development of the property at Robson Avenue. These funds are to be used to provide for the long term financial security of the synagogue and for capital programmes as agreed by Trustees. During the year, the Trustees agreed to release the balance of this fund to General Funds.

Rosa Mintz Legacy Fund: the income arising from this unrestricted fund is utilised as agreed to support Nursery, Youth and Education activities.

LJS Building Renewal Fund: the synagogue building is now 27 years old and this unrestricted fund was established in 2017 to contribute to the funding of building refurbishment projects required to maintain the fabric and functionality of the synagogue.

General Legacy Fund: all legacies (unless restricted) are allocated to this unrestricted fund and used to support the religious and charitable work of the synagogue.

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

17 STATEMENT OF FUNDS (continued)

Restricted Funds 2018

| | At 1 | | | | | At 31 |
|----------------------------------|------------------|---------------|-----------------|--------------------|----------|----------------|
| | January | Incoming | Resources | Transfers | Gains / | December |
| | 2018 | resources | Expended | in/ out | (Losses) | 2018 |
| | £ | £ | £ | £ | £ | £ |
| Building Amortisation Reserve | 3,987,151 | - | - | (3,987,151) | - | - |
| Care for the Community Fund | 13,700 | - | (1,438) | - | - | 12,262 |
| Community Care Co-ordinator Fund | 28,161 | - | - | (28,161) | - | - |
| David Goldstein Library Fund | 4,632 | - | (418) | - | - | 4,214 |
| Drop in for Asylum Families | 55,875 | 65,338.00 | (49,240) | - | - | 71,973 |
| Education Fund | 3,916 | - | (300) | - | - | 3,616 |
| Ministers' Discretionary Fund | 700 | 9,501.00 | (3,860) | - | - | 6,341 |
| Peggy Lang Publications Fund | 5,803 | - | (300) | - | - | 5,503 |
| Out and About Club | 22,415 | 4,284.00 | (7,865) | - | - | 18,834 |
| President's Cup Fund | 4,069 | - | - | - | - | 4,069 |
| Rabbi J Rayner Bibliography Fund | 8,952 | - | (6,400) | - | - | 2,552 |
| Restaurant Tuesday | 8,848 | 300.00 | (122) | - | - | 9,026 |
| Singing for the Mind | 7,106 | 3,921.00 | (8,142) | - | - | 2,885 |
| Taxi Fund | 2,684 | 25.00 | (750) | - | - | 1,959 |
| Angela Ferst Fund | 2,300 | - | (92) | - | - | 2,208 |
| Total Restricted Funds | 4,156,312 | 83,370 | (78,928) | (4,015,312) | - | 145,442 |

Restricted Funds 2017

| | At 1 | | | | | At 31 |
|----------------------------------|------------------|----------------|------------------|----------------|----------|------------------|
| | January | Incoming | Resources | Transfers | Gains / | December |
| | 2017 | resources | Expended | in/ out | (Losses) | 2017 |
| | £ | £ | £ | £ | £ | £ |
| Building Amortisation Reserve | 3,987,151 | - | - | - | - | 3,987,151 |
| Care for the Community | 20,374 | - | (6,674) | - | - | 13,700 |
| Community Care Co-ordinator Fund | 19,986 | 32,000 | (23,825) | - | - | 28,161 |
| David Goldstein Library Fund | 4,632 | - | - | - | - | 4,632 |
| Drop in for Asylum Families | 46,342 | 60,144 | (50,611) | - | - | 55,875 |
| Education Fund | 4,286 | - | (370) | - | - | 3,916 |
| Flower and Garden | - | 70 | (1,116) | 1,046 | - | - |
| Kitchen Project | 44,146 | 25,320 | (69,466) | - | - | - |
| Ministers' Discretionary Fund | 8,419 | 650 | (1,635) | (6,735) | - | 700 |
| Peggy Lang Publications Fund | 5,803 | - | - | - | - | 5,803 |
| Out and About Club | 27,240 | 6,210 | (11,035) | - | - | 22,415 |
| Pension Endowment | 62,236 | - | - | - | - | 62,236 |
| Pension Shortfall | (60,783) | - | - | (1,453) | - | (62,236) |
| President's Cup Fund | 4,069 | - | - | - | - | 4,069 |
| Rabbi J Rayner Bibliography Fund | 20,621 | 250 | (11,919) | - | - | 8,952 |
| Restaurant Tuesday | 8,178 | 670 | - | - | - | 8,848 |
| Singing for the Mind | 3,766 | 12,470 | (9,130) | - | - | 7,106 |
| Taxi Fund | 3,592 | 50 | (958) | - | - | 2,684 |
| Angela Ferst Fund | 3,500 | - | (1,200) | - | - | 2,300 |
| Archives | 1,483 | - | (2,228) | 745 | - | - |
| Total Restricted Funds | 4,215,041 | 137,834 | (190,167) | (6,397) | - | 4,156,312 |

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

17 STATEMENT OF FUNDS (continued)

Restricted Funds 2018

Building Amortisation Reserve: the cost of building the Synagogue and initial fitting out were funded by sums receivable from creation of a lease of Blazer Court and fundraising. The expenditure has been capitalised and the funds received credited to the Building Amortisation Reserve Account in previous years. During 2018 the decision was taken to show this in the summary as a General Fixed Asset Fund.

Care for the Community Fund: the fund is used for Members most in need.

Community Care Co-ordinator Fund: this fund contributes to the salary of this post and administrative support. In 2018 it was agreed that the funding for this would be centralised and any external funds accounted within the main budget. Any remaining funds have been transferred back to General Funds.

David Goldstein Library Fund: this fund is to be used for books and equipment for the LJS Library.

LJS Drop-in for Asylum Families: this fund was created for donations received to support the LJS Drop-in for Asylum Families. Funded entirely by donations, the monies raised support this project on an ongoing basis.

Education Fund: this fund supports youth and educational activities and was formed by the amalgamation of the Celia Rapp Fund, Theodore Goodman Fund, John Haggard Memorial Fund, Louis P Jacobs Prize Fund, Marsden Family Fund.

Ministers' Discretionary Fund: this fund is for donations given for our Rabbis to use at their discretion to support the charitable objects of the synagogue.

Out & About Club: is a community initiative which provides food and entertainment fortnightly for local elderly and disabled people. Funded entirely by donations, the monies are used to support the club on an ongoing basis.

Peggy Lang Publications Fund: the fund was created to support publications in furtherance of Liberal Judaism.

President's Cup Fund: this fund provides for an annual prize to the young person showing the greatest commitment to the community.

Rabbi J Rayner Bibliography: this fund is to finance an LJS Research Fellow to undertake scholarly research into the sermons and lectures of Rabbi John Rayner and to facilitate the dissemination of his thoughts and writing.

Restaurant Tuesday: this fund is used to provide a monthly meal for elderly Members and visitors.

Singing for the Mind: this fund is used to enable people with memory problems or dementia to come together to sing. This includes Members and Non-members, local and London-wide. Funded entirely by donations, the group meets weekly, using the monies raised for its ongoing professional support costs.

Taxi Fund: this fund finances the cost of taxis to and from the synagogue for the elderly or infirm who are unable to afford private transport but depend on it to get to the synagogue for religious services and other activities.

Angela Ferst Fund: this fund was set up in 2016 following a specified legacy to buy prayer books for the community.

SUMMARY OF FUNDS 2018

| | At 1 | | | | | At 31 |
|---------------------------------|------------------|------------------|--------------------|------------------|-----------------|------------------|
| | January | Incoming | Resources | Transfers | Gains / | December |
| | 2018 | resources | Expended | in/ out | (Losses) | 2018 |
| | £ | £ | £ | £ | £ | £ |
| Unrestricted Funds | 2,220,987 | 55,536 | (3,785) | (1,543,860) | - | 728,878 |
| General Funds | 456,602 | 1,688,574 | (1,714,911) | 862,402 | (77,304) | 1,215,363 |
| General Fixed Asset Fund | - | - | - | 4,696,770 | - | 4,696,770 |
| | <u>2,677,589</u> | <u>1,744,110</u> | <u>(1,718,696)</u> | <u>4,015,312</u> | <u>(77,304)</u> | <u>6,641,011</u> |
| Restricted Funds | 4,156,312 | 83,370 | (78,928) | (4,015,312) | - | 145,442 |
| | <u>6,833,901</u> | <u>1,827,480</u> | <u>(1,797,624)</u> | <u>-</u> | <u>(77,304)</u> | <u>6,786,453</u> |

The Liberal Jewish Synagogue
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2018 (continued)

17 STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS 2017

| | At 1 January 2017 £ | Incoming resources £ | Resources Expended £ | Transfers in/ out £ | Gains / (Losses) £ | At 31 December 2017 £ |
|--------------------|------------------------------|----------------------------|----------------------------|---------------------------|--------------------------|--------------------------------|
| Unrestricted Funds | 2,568,339 | 52,296 | (6,480) | (393,168) | - | 2,220,987 |
| General Funds | 104,697 | 1,567,976 | (1,728,590) | 399,565 | 112,954 | 456,602 |
| | 2,673,036 | 1,620,272 | (1,735,070) | 6,397 | 112,954 | 2,677,589 |
| Restricted Funds | 4,215,041 | 137,834 | (190,166) | (6,397) | - | 4,156,312 |
| | 6,888,077 | 1,758,106 | (1,925,236) | - | 112,954 | 6,833,901 |

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds 2018 £ | Restricted Funds 2018 £ | Total Funds 2018 £ | Total Funds 2017 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Tangible fixed assets | 4,642,320 | - | 4,642,320 | 4,662,279 |
| Fixed asset investments | 2,304,375 | 1,993 | 2,306,368 | 2,344,065 |
| Heritage assets | - | 54,450 | 54,450 | 54,450 |
| Current assets | 306,038 | 117,159 | 423,197 | 524,078 |
| Creditors due within one year | (189,882) | - | 189,882 | (300,971) |
| Provisions for liabilities | (450,000) | - | (450,000) | (450,000) |
| TOTAL | 6,612,851 | 173,602 | 6,786,453 | 6,833,901 |

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2018, the charity had future minimum lease payments under non-cancellable operating leases for office equipment as follows:

| | 2018 £ | 2017 £ |
|--|---------------|---------------|
| Not later than 1 year | 22,379 | 22,379 |
| Later than one year but less than five years | 45,371 | 45,371 |
| TOTAL | 67,750 | 67,750 |

20 TRUSTEES REMUNERATION

In 2018 one Trustee carried on their *Rimon* Religion School teaching duties until a replacement teacher could be appointed. During this period they were paid £910 for this work. One of the Trustees was elected Vice Chair of Liberal Judaism, the umbrella organisation for all Liberal Jewish synagogues. The LJS makes an annual donation on behalf of members to Liberal Judaism: £91,534 in 2018 (£88,000 in 2017).

21 CORPORATION TAX

As a charity, the LJS is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the charity, during the year or in the previous year.