

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2014
FOR
NEWCASTLE REFORM SYNAGOGUE**

David Wiseman FCA
Robson Laidler LLP
Fernwood House, Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

NEWCASTLE REFORM SYNAGOGUE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 12

NEWCASTLE REFORM SYNAGOGUE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014

The trustees present their report with the financial statements of the charity for the year ended 31 December 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

246816

Principal address

c/o Ms Helen Bussell
6 Firkbank Avenue
Cullercoats
Tyne and Wear
NE30 3AJ

Trustees

Mrs G Bernstone		
Mr I Cohen		
Dr W Fleming	Chair	- resigned 31.1.14
Miss G Mandell	Hon Secretary	
Mrs S Rowlands		
Mr C Scott		
Mr A Wortman	Chair	- appointed 1.6.14
Mrs L A Huddart		
Mrs L Scott	Vice Chair	
Mr J Rollin-Jones		
Mr G Gibson		- resigned 12.7.14
Ms H Bussell	Treasurer	- appointed 1.6.14
Mr T Benson		- appointed 1.6.14
Mrs B Berg		- appointed 1.6.14
Mr D Luper		- appointed 1.6.14
Mrs K B Fleming		- appointed 27.8.14

Honorary Life President

Mrs B Dinsdale
Mr G Loble

Independent examiner

David Wiseman FCA
Robson Laidler LLP
Fernwood House, Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity, constituted under a trust deed dated 3 March 1966 and is a registered charity, number 246816.

Recruitment and appointment of new trustees

The charity is managed by a Council of trustees. Trustees are elected at the Annual General Meeting. Meetings of the Council of trustees are held at least bi-monthly (with the exception of August).

Risk management

The trustees meet on a regular basis to consider the major strategic, operational and investment risks faced by the charity and act appropriately to mitigate those risks.

NEWCASTLE REFORM SYNAGOGUE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2014

OBJECTIVES AND ACTIVITIES

Objectives and aims

The synagogue is an unincorporated association formed and managed by its members with the objective of providing and maintaining a place or places of public worship and for the furtherance and advancement of religious, educational and charitable objectives. The synagogue is affiliated to the Movement for Reform Judaism (formerly The Reform Synagogues of Great Britain) and is guided by their practices whilst maintaining its independence under the constitution. The affairs of the synagogue are managed by its members in general meetings and in accordance with its constitution and the rules of the synagogue.

Significant activities

The principle activities of the synagogue are the maintenance of the synagogue building at The Croft, Newcastle upon Tyne for divine services and public worship, provision of religious education and support of charitable activities. The charity operates a Prayer House and cemetery plots at Preston Cemetery, North Shields, and a burial scheme for this cemetery.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity received donations and gift aid totalling £11,306 (2013: £9,491), which led to a increase in total net assets of £10,435 (2013: £5,225), from its normal operating activities.

The trustees feel that they would be able to continue the current activities of the charity in the event of a decline in membership.

FINANCIAL REVIEW

Reserves policy

At the end of the year the charity had restricted funds of £356,155 (2013: £365,154) and unrestricted funds of £268,977 (2013: £249,543). The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("The Free Reserves") held by the Charity should represent 5 years of the resources expended, this has been agreed as a sufficient level with regards to the current economic climate, the decline in subscription income and the potential requirement of a rabbi salary. The charity has been able to maintain the general reserves at this level at 31 December 2014.

FUTURE DEVELOPMENTS

The synagogue and community are committed to the maintenance and expansion of the religious, educational and charitable activities.

STATEMENT OF PUBLIC BENEFIT

The Synagogue hosts many visits from schools, colleges, scouts groups and local groups, from other Faiths as well as holding Inter- Faith meetings. Its members support the West End Refugee centre the Peoples' Kitchen and make regular donations to outside charities.

The Charity also organises education classes for children and adults, social events, pre-service discussions of selected readings from the Scriptures which are well received and are well supported by the community. The Council is constantly looking for additional activities for members' participation.

Approved by order of the board of trustees on 27 April 2015 and signed on its behalf by:

Mr A Wortman - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NEWCASTLE REFORM SYNAGOGUE

I report on the accounts for the year ended 31 December 2014 set out on pages four to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

David Wiseman FCA
Robson Laidler LLP
Fernwood House, Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

27 April 2015

NEWCASTLE REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	40,933	8,565	49,498	53,949
Activities for generating funds	3	1,127	2,452	3,579	5,799
Investment income	4	4,447	74	4,521	7,123
Other incoming resources		2,312	-	2,312	4,380
Total incoming resources		48,819	11,091	59,910	71,251
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		1,811	1,500	3,311	7,470
Charitable activities					
Charitable activities	5	11,699	12,547	24,246	28,934
Burial costs		-	4,994	4,994	8,414
Kol Nidre Fund		-	552	552	1,461
Prayer House building costs		-	-	-	121
Social events		504	-	504	701
Insurance		606	-	606	121
Heat, light and water		813	363	1,176	1,149
Travel expenses		522	-	522	1,082
Repairs and renewals		513	8	521	442
Printing, postage, stationery, telephone		338	-	338	312
Cleaning and gardening		455	126	581	829
Sundry expenses		152	-	152	2,502
Governance costs	6	11,972	-	11,972	12,488
Total resources expended		29,385	20,090	49,475	66,026
NET INCOMING/(OUTGOING) RESOURCES					
		19,434	(8,999)	10,435	5,225
RECONCILIATION OF FUNDS					
Total funds brought forward		249,543	365,154	614,697	609,472
TOTAL FUNDS CARRIED FORWARD		268,977	356,155	625,132	614,697

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

NEWCASTLE REFORM SYNAGOGUE

**BALANCE SHEET
AT 31 DECEMBER 2014**

	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
FIXED ASSETS					
Tangible assets	8	-	287,612	287,612	299,508
CURRENT ASSETS					
Stocks	9	300	-	300	300
Debtors	10	30,311	3,809	34,120	7,158
Cash at bank and in hand		269,050	71,520	340,570	313,105
		<u>299,661</u>	<u>75,329</u>	<u>374,990</u>	<u>320,563</u>
CREDITORS					
Amounts falling due within one year	11	(30,684)	(6,786)	(37,470)	(5,374)
		<u>268,977</u>	<u>68,543</u>	<u>337,520</u>	<u>315,189</u>
NET CURRENT ASSETS					
		<u>268,977</u>	<u>356,155</u>	<u>625,132</u>	<u>614,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>268,977</u>	<u>356,155</u>	<u>625,132</u>	<u>614,697</u>
NET ASSETS					
		<u>268,977</u>	<u>356,155</u>	<u>625,132</u>	<u>614,697</u>
FUNDS					
	12				
Unrestricted funds				268,977	249,543
Restricted funds				356,155	365,154
				<u>625,132</u>	<u>614,697</u>
TOTAL FUNDS					
				<u>625,132</u>	<u>614,697</u>

The financial statements were approved by the Board of Trustees on 27 April 2015 and were signed on its behalf by:

Mr A Wortman -Trustee

Ms H Bussell -Trustee

The notes form part of these financial statements

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets, the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Financial reporting standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charity qualifies as a small charity.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Subscriptions are payable in advance on the first day in January each year and are accounted for on an accruals basis.

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SOFA.

Investment income is included in the accounts when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure is inclusive of any VAT, which can not be recovered, and is reported as part of the expenditure to which it relates:

- a) Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.
- b) Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- c) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity.

Support costs include central functions and have been allocated to activities cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage.

Tangible fixed assets

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

Freehold property	- 2% straight line basis
Leasehold prayer house	- 2% straight line basis
Religious assets	- 2% straight line basis
Fixtures and fittings	- 15% on reducing balance

Stocks

Stock consists of purchased goods for resale. Stocks are valued at lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Taxation

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

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. VOLUNTARY INCOME

	2014	2013
	£	£
Donations	4,541	3,145
Gift aid	6,767	6,346
Legacies	300	5,000
Subscriptions	29,131	31,481
Burial scheme	6,013	5,015
Kol Nidre appeal	2,550	2,825
Board of Deputies	196	137
	<u>49,498</u>	<u>53,949</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2014	2013
	£	£
Shop income	-	220
Social events	1,127	864
Guild social events	2,452	4,715
	<u>3,579</u>	<u>5,799</u>

4. INVESTMENT INCOME

	2014	2013
	£	£
Deposit account interest	4,447	7,026
Guild account interest	74	97
	<u>4,521</u>	<u>7,123</u>

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2014

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Charitable activities	24,246	24,246
Burial costs	4,994	4,994
Kol Nidre Fund	552	552
Social events	504	504
Insurance	606	606
Heat, light and water	1,176	1,176
Travel expenses	522	522
Repairs and renewals	521	521
Printing, postage, stationery, telephone	338	338
Cleaning and gardening	581	581
Sundry expenses	152	152
	<u>34,192</u>	<u>34,192</u>

6. GOVERNANCE COSTS

	2014	2013
	£	£
Accountancy	2,850	1,170
Insurance	1,818	1,704
Heat, light and water	2,222	2,006
Travel expenses	149	309
Repairs and renewals	2,054	3,063
Telephone, stationary and post	1,014	907
Cleaning and gardening	1,814	2,328
Sundry expenses	51	1,001
	<u>11,972</u>	<u>12,488</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

No members of the management committee received any remuneration during the year.

Trustees' expenses

During the year £2,993 (2013: £1,242) was reimbursed to 9 of the Trustees for expenses incurred in the course of their duties.

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2014

8. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold prayer house £	Religious assets £	Fixtures and fittings £	Totals £
COST					
At 1 January 2014	251,041	26,259	73,980	118,803	470,083
Additions	-	-	-	597	597
At 31 December 2014	<u>251,041</u>	<u>26,259</u>	<u>73,980</u>	<u>119,400</u>	<u>470,680</u>
DEPRECIATION					
At 1 January 2014	79,474	8,401	-	82,700	170,575
Charge for year	5,021	525	1,480	5,467	12,493
At 31 December 2014	<u>84,495</u>	<u>8,926</u>	<u>1,480</u>	<u>88,167</u>	<u>183,068</u>
NET BOOK VALUE					
At 31 December 2014	<u>166,546</u>	<u>17,333</u>	<u>72,500</u>	<u>31,233</u>	<u>287,612</u>
At 31 December 2013	<u>171,567</u>	<u>17,858</u>	<u>73,980</u>	<u>36,103</u>	<u>299,508</u>

In 2010 the synagogues fixed assets including fixtures and fittings, Torah Scrolls and silverware were revalued independently for insurance purposes. This has resulted in the religious assets being valued at £73,980, an increase of £53,980, and the fixtures and fittings being valued at £118,503, an increase of £58,180.

The trustees are not aware of any material changes since the last revaluation.

The Synagogue also has to insure the Torah Scroll 2 which belongs to the Czech Memorial Trust No 831.

9. STOCKS

	2014 £	2013 £
Stocks	<u>300</u>	<u>300</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	23,432	-
Gift aid recoverable	6,767	6,347
Prepayments and accrued income	3,921	811
	<u>34,120</u>	<u>7,158</u>

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2014

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	3,362	-
Deferred income	32,468	-
Accrued expenses	1,640	5,374
	<u>37,470</u>	<u>5,374</u>

12. MOVEMENT IN FUNDS

	At 1.1.14 £	Net movement in funds £	At 31.12.14 £
Unrestricted funds			
General fund	249,543	19,434	268,977
Restricted funds			
Prayer House reserve fund	17,859	(525)	17,334
Capital revaluation reserve	113,526	(6,947)	106,579
Burial scheme fund	54,655	656	55,311
Building reserve fund	171,566	(5,021)	166,545
Kol Nidre appeal fund	7,066	1,998	9,064
Tree of Life fund	391	-	391
Siddur income fund	91	840	931
	<u>365,154</u>	<u>(8,999)</u>	<u>356,155</u>
TOTAL FUNDS	<u>614,697</u>	<u>10,435</u>	<u>625,132</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	48,819	(29,385)	19,434
Restricted funds			
Capital revaluation reserve	1	(6,948)	(6,947)
Burial scheme fund	6,013	(5,357)	656
Kol Nidre appeal fund	2,550	(552)	1,998
Siddur income fund	2,527	(1,687)	840
Prayer House reserve fund	-	(525)	(525)
Building reserve fund	-	(5,021)	(5,021)
	<u>11,091</u>	<u>(20,090)</u>	<u>(8,999)</u>
TOTAL FUNDS	<u>59,910</u>	<u>(49,475)</u>	<u>10,435</u>

NEWCASTLE REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2014

12. MOVEMENT IN FUNDS - continued

Building Reserve

The building reserve fund has been established to provide for the synagogue building at The Croft, Newcastle upon Tyne and represents building cost less depreciation.

Prayer House

The prayer house reserve fund provides for the building at Preston Cemetery, North Shields and represents building costs less depreciation.

Capital Revaluation Reserve

The capital revaluation reserve represents the re-valued amount of other fixed assets, together with monies donated to help fund future expenditure.

Burial Scheme

The burial scheme fund represents contributions towards members' burial costs within the rules of the fund.

Kol Nidre

The Kol Nidre appeal fund provides for the raising of funds on an annual basis for distribution to charities nominated by the synagogue.

Tree of Life

The Tree of Life fund provides for the raising of funds for the Tree of Life project.

Siddur income fund

The Siddur income fund provides for the raising of funds for Guild events.

13. RELATED PARTY DISCLOSURES

The synagogue is a constituent member of the Movement for Reform Judaism (formerly The Reform Synagogues of Great Britain). During the year the synagogue paid a contribution of £4,013 (2013: £5,695) to MRJ.

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the synagogue is considered to be the Council of the synagogue.

15. BURIAL SCHEME FUND

Included in the Detailed Statement of Financial Activities are the following transactions which relate to the burial scheme:

	2014	2013
Income	6,013	5,015
Expenditure	(5,357)	(8,837)
	-----	-----
Surplus	656	(3,822)
	=====	=====

NEWCASTLE REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2014**

16. GUILD ACCOUNTS

Included in the Detailed Statement of Financial Activities are the following transactions which relate to the guild accounts:

	2014	2013
Income	2,526	4,811
Expenditure	(1,687)	(4,776)
	-----	-----
Surplus/(Deficit)	839	35
	=====	=====