

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31ST DECEMBER 2005**

**FOR**

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**



**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31ST DECEMBER 2005**

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**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**DIRECTORS:** Mr D L Gold  
Mr D Silverstone  
Mr J A Kalms  
Mrs J Sheldon

**SECRETARY:** Mrs J Sheldon

**REGISTERED OFFICE:** Office of the Congregation  
Finchley Road  
Westcliff on Sea  
Essex  
SS0 8AD

**REGISTERED COMPANY  
NUMBER:** 04662319

**REGISTERED CHARITY  
NUMBER:** 1099107

**AUDITORS:** HEW Goldwyns Limited  
Chartered Accountants  
Registered Auditors  
Rutland House  
90/92 Baxter Avenue  
Southend-on-Sea  
Essex  
SS2 6HZ

**BANKERS:** LloydsTSB Bank PLC  
77 High Street  
Southend on Sea  
Essex  
SS1 1HT

**SOLICITORS:** Mr G Caplan  
9 Cranbrook Road  
Ilford  
Essex  
IG1 4EG

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

The trustees, who are also directors, present their report with the financial statements of the company for the year ended 31st December 2005. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the charity.

**LEGAL STATUS**

The company was incorporated on 11<sup>th</sup> February 2003 and commenced charitable activities on 1<sup>st</sup> January 2005.

The whole of charitable property of The Southend and Westcliff Hebrew Congregation (Registered Charity Number 258781) was transferred to the company on 1<sup>st</sup> January 2005.

The company is a charity registered with the Charity Commissioners for England and Wales.

**CHARITABLE OBJECTIVES**

Southend and Westcliff Hebrew Congregation is governed by its Memorandum and Articles of Association. The charitable objectives are:

To promote the Jewish faith by all or any of the following means:

Providing and maintaining synagogues in or near Southend and Westcliff for the worship of the Jewish faith as an Orthodox Congregation (as defined by the Chief Rabbi for the time being of United Hebrew Congregations of the British Commonwealth of Nations) and the due performance of rites of marriage and burial according to the principles of the said Jewish faith.

Teaching and educating members of the Southend and Westcliff Jewish community and their children in the doctrine and practises of the said Jewish faith

**CHARITY ORGANISATION**

A board of trustees (The Council) of up to eighteen members, meet at least eight times a year to administer the charity. The Council members are divided into four classes: The Executive (who are the Directors), The Wardens, the Ex-officio and the General members

**REVIEW OF THE PAST YEAR**

The results for the year and financial position of the Southend and Westcliff Hebrew Congregation are as shown in the annexed financial statements. The net outgoing resources for the year will be taken from reserves.

**THE SOUTHEND JEWISH YOUTH CENTRE**

The Southend Jewish Youth Centre provides youth services to the young members of the community.

**THE SOUTHEND AND WESTCLIFF JEWISH LADIES GUILD**

The Southend and Westcliff Jewish Ladies Guild provide support services to the community.

**KOSHER MEALS ON WHEELS**

Kosher Meals on Wheels delivers kosher meals to the frail and the ill in the community who would otherwise not receive a hot meal during the day.

**INVESTMENT POWERS**

Under the Memorandum and Articles of Association, the charity has the power to deposit or invest funds in any manner, but only after obtaining advice from a financial expert (authorised by the FSA).

**RESERVES POLICY**

The policy of the Synagogue Council is to maintain the Congregation's reserves at a level sufficient in order to ensure the continuance of essential services, including, for example, the upkeep of the Congregation's property. In addition the Synagogue Council is also concerned with the provision and enhancement of communal facilities to cater for demographic and other changes.

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2005**

**RISK MANAGEMENT**

The Synagogue Council has established and maintained a risk management strategy that comprises the establishment of systems and procedures to mitigate risks identified and the implementation of procedures to minimise any potential impact on the charity should any of those risks materialise.

**DIRECTORS**

The directors during the year under review were:

Mr D L Gold  
Mr D Silverstone  
Mr J A Kalms  
Mrs J Sheldon

**VOLUNTEERS**

The Congregation is dependent upon the services of unpaid volunteers and donations in kind (including facilities and services provided free of charge). It is not possible to evaluate the extent of these services.

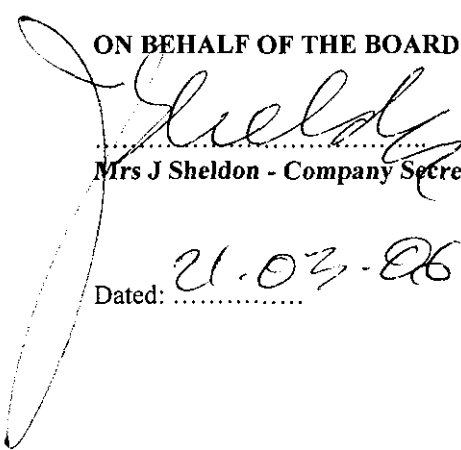
**STATEMENT OF DIRECTORS/TRUSTEES RESPONSIBILITIES**

Company Law and Charity Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its excess of income over expenditure for that year. In preparing these financial statements, the directors are required to;

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in its current form;

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985 and Charities Act 1993. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ON BEHALF OF THE BOARD:**

  
.....  
**Mrs J Sheldon - Company Secretary**

Dated: 21.03.06 .....

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS  
ON THE FINANCIAL STATEMENTS OF  
SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

We have audited the financial statements of Southend and Westcliff Hebrew Congregation (Limited by Guarantee) for the year ended 31st December 2005 on pages 5 to 12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees as a body, in accordance with Section 235 of the Companies Act 1985 and Section 42(3) of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the management committee and auditors**

As described on page 3 the trustees who are directors for the purpose of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.


**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

*In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31st December 2005 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.*

  
**HEW Goldwyns Limited**  
**Chartered Accountants**  
**Registered Auditors**  
**90/92 Baxter Avenue**  
**Southend-on-Sea**  
**Essex SS2 6HZ**

Dated: 21st March 2006.

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

	Notes	Unrestricted Funds	Restricted Funds	2005 Total Funds	2004 Total Funds
<b>Incoming resources</b>					
<b>Activities in furtherance of the charity's objectives:</b>					
Religious Activities	2	366,326	-	366,326	-
Youth Centre		4,204	-	4,204	-
Ladies Guild		17,070	-	17,070	-
Kosher Meals on Wheels		8,975	-	8,975	-
<b>Activities for generating funds:</b>					
Fundraising events		3,185	-	3,185	-
Donations		14,438	-	14,438	-
Rents		8,792	-	8,792	-
Investment income		<u>15,389</u>	-	<u>15,389</u>	-
<b>Total incoming resources</b>		<u>438,379</u>	-	<u>438,379</u>	-
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Fundraising events		3,156	-	3,156	-
<b>Charitable expenditure</b>					
Religious activities		564,307	125,589	689,896	-
Youth Centre		3,784	-	3,784	-
Ladies Guild		18,561	-	18,561	-
Kosher Meals on Wheels		12,908	-	12,908	-
Management and administration		<u>50,007</u>	-	<u>50,007</u>	-
<b>Total resources expended</b>	3	<u>652,723</u>	<u>125,589</u>	<u>778,312</u>	-
<b>Net incoming resources/(resources expended) before transfers</b>		(214,344)	(125,589)	(339,933)	-
<b>Transfers between funds</b>		-	-	-	-
<b>Net movement in funds</b>		<u>(214,344)</u>	<u>(125,589)</u>	<u>(339,933)</u>	-
<b>Funds brought forward at 1 January 2005</b>		<u>714,886</u>	<u>138,880</u>	<u>853,766</u>	-
<b>Funds carried forward at 31 December 2005</b>		<u>500,542</u>	<u>13,291</u>	<u>513,833</u>	-

*The notes form part of these financial statements*

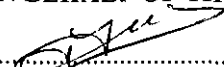
**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**BALANCE SHEET  
31ST DECEMBER 2005**

		2005		2004	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	5		375,019		-
<b>CURRENT ASSETS:</b>					
Cash at bank and in hand			135,798		-
Prepayments and accrued income			<u>25,944</u>		-
			161,742		-
<b>CREDITORS: Amounts falling due within one year</b>					
	6		<u>22,928</u>		-
<b>NET CURRENT ASSETS:</b>					
			<u>138,814</u>		-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>					
	7		<u><u>513,833</u></u>		<u><u>-</u></u>
<b>FUNDS:</b>					
Unrestricted funds			500,542		-
Restricted funds			13,291		-
<b>Total funds</b>	8		<u><u>513,833</u></u>		<u><u>-</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**

.....  
  
**J A Kalms - Director**

Approved by the Board on... *21st March 2006*

The notes form part of these financial statements



**SOUTHEND AND WESTCLIFF HERBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in compliance with the Companies Act 1985, the Statement of Recommended Practice "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards. The charity has availed itself of paragraph 3 (3) of schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

**Fixed assets**

*Fixed asset recognition*

a) General

Tangible fixed assets acquired are capitalised at cost.

b) Ritual items

The assets of the Congregation include fittings of the Synagogue, Sephorim, Chuppah, mantels, silver bells, Yadayim, breast plates, Chanukah lamps and other religious appurtenances. The value of these assets to the Congregation would not be fully reflected in a financial value and accordingly they have not been capitalised.

*Fixed asset valuation*

Fixed assets are recorded at cost. In the opinion of the Synagogue Council the market value of the freehold properties is substantially in excess of their book value.

*Depreciation*

a) Freehold property

With the exception of the land, buildings and equipment at Stock Road, Southend-on-Sea, which has been written down to £1 no depreciation is provided with respect to freehold property. In the opinion of the Synagogue Council freehold property has a very long useful life and accordingly depreciation would not be material.

b) Motor vehicles

Depreciation is provided on the motor vehicles at 25% per annum on cost

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity and which have not been designated for other purposes. Restricted funds are funds, which have to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

**Incoming resources**

*Income is recognised in the period that the Congregation is entitled to receipt and the amount can be measured with reasonable certainty.*

Membership income reflects fees collected throughout the year.

Donations received are allocated to unrestricted funds, unless the donor specifically allocates a purpose for the donation. Donations are recognised upon receipt.

Income tax is recoverable on donations and membership fees that are made under the Gift Aid scheme. The amount recorded in the accounts reflects the total amount recoverable for the year.

Investment income consists of bank interest earned, ground rents and short term renting of property received throughout the year.

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**Resources expended**

Resources expended are recognised in the period in which they are incurred and are allocated to expense categories according to use. All known liabilities pertaining to the financial year have been included in the accounts. Expenses include irrecoverable VAT.

**Pension costs**

The company operates a defined contribution scheme on behalf of certain of its employees. Contributions are charged to the profit and loss account as they accrue.

**2. INCOMING RESOURCES FROM ACTIVITIES TO  
FURTHER THE CHARITY'S OBJECTS**

	Unrestricted Funds	Restricted Funds	2005 Total Funds	2004 Total Funds
<b>Religious Activities</b>				
Membership fees	195,725	-	195,725	-
Income tax refunds	46,000	-	46,000	-
Marriage fees	515	-	515	-
Kashrut Commission	1,617	-	1,617	-
Burial Board	121,455	-	121,455	-
Memorial Board	1,014	-	1,014	-
	<u>366,326</u>	<u>-</u>	<u>366,326</u>	<u>-</u>

**3. TOTAL RESOURCES EXPENDED**

	Staff Costs £	Other Costs £	2005 Total £	2004 Total £
Fundraising events	-	3,156	3,156	-
Building fund	-	125,589	125,589	-
Religious activities	174,889	389,418	564,307	-
Youth Centre	-	3,784	3,784	-
Ladies Guild	-	18,561	18,561	-
Kosher Meals on Wheels	-	12,908	12,908	-
Administration	41,037	8,970	50,007	-
	<u>215,926</u>	<u>562,386</u>	<u>778,312</u>	<u>-</u>

Other costs include:

Auditors' fees:

Audit fee	<u>6,000</u>	<u>-</u>
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**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**4. STAFF EMOLUMENTS AND TRUSTEE EXPENSES**

Total staff emoluments for the year were as follows:

	2005	2004
	£	£
Salary costs	197,188	-
National Insurance costs	16,470	-
Pension costs	2,268	-
	<u>215,926</u>	<u>-</u>

No employees received emoluments exceeding £50,000 in the year.

The average number of employees during the year was as follows:

	2005	2004
	£	£
Direct charitable	27	-
Administration	2	-
	<u>29</u>	<u>-</u>

No trustee received any emoluments during the year.

During the year no trustee received reimbursed travel expenses (2004 – nil).

**5. TANGIBLE FIXED ASSETS**

	Freehold property	Equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2005	400,244	442	12,350	413,036
Disposal in year	-	-	-	-
Additions	-	-	-	-
At 31 December 2005	<u>400,244</u>	<u>442</u>	<u>12,350</u>	<u>413,036</u>
<b>Depreciation</b>				
At 1 January 2005	25,227	441	9,264	34,932
Charge for year	-	-	3,085	3,085
Eliminated re disposals	-	-	-	-
At 31 December 2005	<u>25,227</u>	<u>441</u>	<u>12,349</u>	<u>38,017</u>
<b>Net book value</b>				
At 31 December 2005	<u>375,017</u>	<u>1</u>	<u>1</u>	<u>375,019</u>
At 1 January 2005	<u>375,017</u>	<u>1</u>	<u>3,086</u>	<u>378,104</u>

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

a) Properties for Congregation's own use	342,295	342,295
b) Investment properties	32,722	32,722
	£375,017	£375,017

a) Properties for Congregation's own use

At cost:

Land and buildings

Finchley Road, Westcliff-on-Sea

Land

3,512

3,512

Talmud Torah

24,592

24,592

Land at rear of Crowstone Road

1,650

1,650

29,754

29,754

New Synagogue building

145,474

145,474

43 Finchley Road, Westcliff-on-Sea

150,000

150,000

52 Finchley Road, Westcliff-on-Sea

4,500

4,500

Land and buildings and equipment

Stock Road, Southend-on-Sea

25,228

25,228

Less: Depletion of Burial Ground to date

(25,227)

(25,227)

1

1

59 Finchley Road, Westcliff-on-Sea

- cost

6,066

6,066

- improvements

1,500

1,500

7,566

7,566

Mikvah - Genesta Road, Westcliff-on-Sea

5,000

5,000

£342,295

£342,295

b) Investment properties

Land and three garages, rear of 66/68 Crowstone Road

13,844

13,844

55 Finchley Road, Westcliff-on-Sea

1 flat remaining - cost

8,142

8,142

- improvements

8,736

8,736

16,878

16,878

57 Finchley Road - ground rent

2,000

2,000

£32,722

£32,722

**6. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Accruals and deferred income	22,928	-
	22,928	-

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**7. SUMMARY OF NET ASSETS BY FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	375,019	-	375,019
Net current assets	125,523	13,291	138,814
<b>NET ASSETS</b>	<u>500,542</u>	<u>13,291</u>	<u>513,833</u>

**8. MOVEMENT IN FUNDS**

	At 01.01.05 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31.12.05 £
<b>Restricted funds:</b>					
Building fund	125,589	-	125,589	-	-
Golda White fund	13,291	-	-	-	13,291
<b>Total restricted funds</b>	<u>138,880</u>	<u>-</u>	<u>125,589</u>	<u>-</u>	<u>13,291</u>
<b>Unrestricted funds:</b>					
General funds	559,370	408,130	617,470	(6,653)	343,377
<i>Designated funds</i>					
Burial Reserve	55,496	-	-	(3,347)	52,149
Burial Ground	69,000	-	-	10,000	79,000
Youth Centre	442	4,204	3,784	-	862
Ladies Guild	2,737	17,070	18,561	-	1,246
Kosher Meals on Wheels	27,841	8,975	12,908	-	23,908
<b>Total unrestricted funds</b>	<u>714,886</u>	<u>438,379</u>	<u>652,723</u>	<u>-</u>	<u>500,542</u>
<b>Total funds</b>	<u>853,766</u>	<u>438,379</u>	<u>778,312</u>	<u>-</u>	<u>513,833</u>

**Purpose of designated funds**

**Burial Reserve:**

There is a contingent liability in respect of the Congregation's obligation to bury its Members who pay burial fees. The cost of this obligation is unknown. A reserve equal to the current year's burial expenditure of £52,149 has been made and shown as a Designated Fund which is considered to be a prudent reserve for burial contingencies.

**Burial ground:**

The burial ground fund was established in 1993 to provide for the purchase of additional land for burial purposes.

**Youth Centre:**

The Southend Jewish Youth Centre provides youth services to the young members of the community.

**Ladies Guild:**

The Southend and Westcliff Jewish Ladies Guild provides support services to the community

**Kosher Meals on Wheels:**

Kosher Meals on Wheels delivers kosher meals to the frail and the ill in the community who would otherwise not receive a hot meal during the day.

**Purpose of restricted funds**

**Building fund:**

The Building fund was utilised in full during the year to pay for the upgrading of facilities at Finchley Road Synagogue.

**Golda White fund:**

The Congregation are entitled to unrestricted use of the income from the Golda White Trust Fund for a further 46 years, after which the capital sum will vest in the Congregation unrestricted and absolutely.

**SOUTHEND AND WESTCLIFF HEBREW CONGREGATION  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**9. CONTROLLING PARTY**

There is no ultimate controlling party.

**10. CONTINGENT LIABILITIES**

At the year end the major works on the refurbishment and improvements of the Synagogue hall and kitchens were still in progress. Currently contractors' final accounts of approximately £25,000 are awaiting agreement.

There is a contingent liability of an unknown amount in respect of continual repairs to the Congregation's property and inflationary insurance costs. Additionally there is a need to comply with modern requirements concerning facilities for the disabled with regard to certain of the community's property

**11. INDEMNITY INSURANCE**

The Company has insurance cover in respect of losses arising from any claim made by the community by reason of a wrongful act by a Council Member, Officer or Trustee acting in a managerial or supervisory capacity. The charge for the year amounts to £2,385 including insurance premium tax for an indemnity limit of £750,000