

Charity Registration No. 1144866

Company Registration No. 07831243 (England and Wales)

THE BELSIZE SQUARE SYNAGOGUE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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COMPANIES HOUSE

THE BELSIZE SQUARE SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary Officers

Jackie Alexander (Chair)
Annette Nathan (Hon. Secretary)
J. Strauss (Hon. Treasurer)
R. Nothman (Asst Hon.Secretary)
A. Hurst (Asst Hon.Treasurer)

Trustees

| Status unchanged | Re-elected | Appointed | Resigned |
|-------------------------|------------------|-----------------------|-----------|
| J Abramson | A Davis | M Horowitz (Co-opted) | P Brass |
| Jackie Alexander (Exec) | P Hirschovits | M Nathan (Co-opted) | V Pollins |
| John Alexander | F Joseph | S Percival | H Solomon |
| J Brookes | F Lehmann | D Pollins | R Vered |
| S Bruck | Adam Nathan | M Wayne (Co-opted) | |
| P Burger | E Nisbet (Exec) | | |
| K Conway | R Nothman (Exec) | | |
| S Cutner | A Stadlen | | |
| S Goldstein (Exec) | C Walford | | |
| J Hacker | | | |
| A Hurst (Exec) | | | |
| L Lichfield | | | |
| Annette Nathan (Exec) | | | |
| R Pollins | | | |
| S Sanders | | | |
| J Strauss (Exec) | | | |
| D Tausz | | | |
| J Trenner (Exec) | | | |
| N Viner (Exec) | | | |

Charity number 1144866

Company number 07831243

Principal address & registered office 51 Belsize Square
London
NW3 4HX

Auditors H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER

THE BELSIZE SQUARE SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

**Scottish Widows Bank Plc
67 Morrison Street
Edinburgh
EH3 8YJ**

**CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ**

**Shawbrook Bank
Lutea House
Warley Hill Business Park
The Drive, Warley Hill
Brentwood, Essex
CM13 3BE**

THE BELSIZE SQUARE SYNAGOGUE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their report and accounts for the year ended 31 December 2017, which also contains the directors' report as required by company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable company's constitution, the Charities Act 2011 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 (FRS102) (effective 1st January 2016).

Public Benefit

The Trustees have complied with their duty under the Charities Act 2011 to have due regard to the guidance published by the Charity Commission. The benefit to the public is manifestly demonstrated by the activities and achievements contained in this report.

Structure, governance and management

Belsize Square Synagogue was founded in 1939 and established as a charity by its constitution, which was first adopted in 1971. In 2011 a new charity, The Belsize Square Synagogue (the 'Charity'), was incorporated as a company limited by guarantee and in 2012, assumed the assets, liabilities and activities of the previous, unincorporated, body. The Charity's governing documents comprise the Memorandum and Articles of Association, which are largely similar to the constitution of the previous body.

The Synagogue is organised under the management and control of the governing body, ("the Board"), whose members, together with the elected Chair, comprise the charity Trustees. The Board consists of up to 33 elected members, and appoints, from among its members, the Honorary Officers of the Synagogue who include the Hon. Treasurer and the Hon. Secretary, in addition to the Chair. The Board also appoints the Executive, which consists of the Chair and eight members of the Board, including the Honorary Officers.

The Board Members, Chairman, Honorary Officers and members of the Executive who served during the year are set out on the front page of this report and accounts. All appointments, re-elections and resignations took place at the Annual General Meeting on 6 June 2017 unless otherwise stated.

The Board constitutes various committees, whose membership is made up of members of the Community. These committees take responsibility for organising and managing various activities within the community and report to members of the Executive and/or the Chair. Periodic reports are also made to the Board and to the Annual General Meeting of the Synagogue's members. The Chairs and membership of each committee are approved by the Board on an annual basis. The Trustees as well as the Synagogue's Finance Committee have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to manage exposure to the major risks such as predictability of income.

Objectives and activities

The Synagogue's objectives are to advance the Jewish religion in accordance with the teachings and practices of progressive Judaism. To further these objectives the Charity is to maintain the synagogue for public worship, conduct regular services, provide the services of a Rabbi and a Cantor, and provide religious education of Jewish children, youth and adults. The Synagogue is authorised to provide facilities for marriages, burial and assistance for the aged, the sick and the needy.

Achievements and performance

2017 has been another vibrant year in the life of our community in no small part thanks to the contribution of our ministers.

Rabbi Dr Stuart Altshuler completed his seventh year as the community's Rabbi. His contribution as spiritual leader of the Synagogue continues to be widely recognised among the members, and he has been instrumental in attracting new members to the community. The Rabbi runs a successful conversion programme with the majority of students joining the community on completion of the course. Rabbi Altshuler has also reached out to the wider community around the Synagogue, including to the minister of St Peter's Church, our neighbours in Belsize Square. Cantor Dr Paul Heller completed his fourth full year of service and led the community as Cantor for a full annual cycle of religious services. His participation not only enhances those services but also continues the musical tradition for which the Synagogue is well known. Rabbi Rodney Mariner continued in his Emeritus Rabbi role and assists when needed, supporting the community when Rabbi Altshuler is away and officiating at funerals when requested.

During the course of the year, the Synagogue continued to offer religious, educational and welfare activities. Religious services were maintained each Shabbat, with services held on Friday evenings and Saturday mornings throughout the year. Services

THE BELSIZE SQUARE SYNAGOGUE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

continued to be held on the on the first two and last days and evenings of all the major Jewish festivals, including both days of Rosh Hashanah and throughout Yom Kippur.

Services are led by one or both of the ministers, with involvement from members of the Community on a regular basis. The music of our services continues to be enhanced by our Synagogue, Community and Youth choirs accompanied by professional and lay organ accompanists. High Holyday services in our Synagogue were an enormous success with Kol Nidrei and our children's services again being standing room only. Once again, we were able to broadcast the live High Holyday services into the Hall for the benefit of members unable, through lack of space, to be accommodated in the sanctuary. We continue to webcast our services, via BelsizeLIVE on our website, for the benefit of both members and non-members both in the U.K. and overseas. Following the closure of the Six Point Foundation who enabled us to implement this very popular facility, we are grateful to a generous donation from the Ann Hirschfield Discretionary Trust which will fund the project for two years.

We have continued to enjoy a successful and mutually beneficial relationship with our tenant, Keren's nursery.

We remain extremely grateful to The Association of Jewish Refugees for their continued funding of our Community Care Co-ordinator who provides support for the aged and needy in our community, many of whom are members of the AJR.

The lease on a Scout Hut, which occupies part of the Synagogue's land, expired during 2012 and the Sea Scouts' tenancy continues with rent being paid at the rate of the expired lease. Negotiations with the Sea Scouts regarding a renewal lease are ongoing. We continue to rent the Hall to the nearby Central School of Drama.

Our commitment to education, for all ages, continues to be strong with the numerous events open to adult members and the wider community. Our Cheder continued to provide popular weekly educational activities for more than eighty children between the ages of 5 and 15. We have new community youth workers who have arranged a variety of activities for our children to help us engage our members of the future. Our weekly Adult Discussion Group continues to be popular, attracting new members and producing a lively debate amongst attendees.

The Belsize Members Group continues to programme regular events, which provide social networking opportunities as well as raising needed funds for the community's benefit.

The Music at Belsize Committee provided another season of high calibre concerts and events, which were well attended by our members, while also attracting a large number of people from the wider community.

The link established with the Pestalozzistrasse Synagogue in Berlin led to new friendships between the youth of each community. This year children from Berlin visited London and enjoyed the hospitality of our members they had hosted in 2016. Another trip to Berlin is planned for 2018.

Fundraising activities

The Patron Scheme, which was launched in 2012, has a few Patrons remaining who will complete their three-year commitment in 2018. The scheme is currently under review.

The Belsize 100 initiative, asking members to add a £100 donation to their annual subscription has been very successful in its first year raising over £39,000.

The rebranded Chanukah Market raised an excellent £16,000 and the BMG Supper Quiz was sold out, raising £1,900.

Financial review

Total income for the year was £1,022,000 (2016: £1,286,000). The decrease was mostly due to a large legacy received in 2016. We are also pleased to report that membership numbers grew slightly in the year and subscriptions (including gift aid reclaimed) increased slightly from £435,000 to £443,000. The Membership Committee continues to review several initiatives to increase the Synagogue's membership base.

Expenses for the year of £1,025,000, excluding depreciation of £127,000 (2016: £127,000), were slightly higher than the 2016 figure of £1,018,000. The largest portion of running costs comprises wages and salaries, including those of our two full time ministers, the cost of running our office and facilities as well as our educational, musical and welfare activities.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The overall outcome of gross income of £1,022,000 less total expenditure of £1,152,000 meant that the net assets of the Charity at the end of 2017 of £4,046,000 were £130,000 lower than the previous year (£4,176,000). The net assets principally comprise land and buildings of £2,719,000, which includes capitalisation of all development expenditure on the synagogue building. The Charity also held £1,355,000 in cash and deposits at 31 December 2017 compared to £1,364,000 at the end of 2016.

In addition to the fixed asset fund, representing the land and buildings, the Charity held £1,229,000 in unrestricted funds at 31 December 2017. This is in keeping with the Reserves Policy (see below). The amount held in designated and unrestricted funds is kept under review by the Trustees and the Synagogue's Finance Committee as part of financial planning for the future. A further £98,000 remains held as restricted funds.

Reserves Policy

The Synagogue holds two main categories of funds.

Restricted funds are held where monies are given for specific purposes by donors.

Unrestricted funds comprise all remaining funds and are segregated into two additional categories:

- (i) Designated Funds, which represent the net book value of the Synagogue's fixed assets as well as, periodically, amounts that the Board wishes to set aside for specific substantial future projects; and
- (ii) Other Charitable Funds, which broadly comprise the unrestricted cash balances available to manage the Synagogue's day to day activities.

A formal Reserves Policy exists, which sets out the Synagogue's policy that Other Charitable Funds should be maintained at a level sufficient to finance annual working capital requirements and to enable the Synagogue to meet all of its charitable objectives. This policy is reviewed by the Board and the Finance Committee on an annual basis. An amount of £9,379 has been transferred from Other Charitable Funds to Designated Funds at 31 December 2017 representing fixed asset additions during the year.

Plans for the future

The Synagogue continues to strive to increase its membership, to continue to increase the use of its land and buildings and to find new ways to raise funds to support our core activities. In addition, this year saw the launch of a legacy campaign.

In 2015, plans were announced for a potential significant development of the Community's facilities. These plans involve the redevelopment of the Hall, enlargement of the Sanctuary, and the development of a residential block of flats on the existing site. With the approval of the Board, a public consultation and exhibition was held in July 2015 with follow-up exhibitions for the members of the Community. Subsequent work was undertaken by a steering committee, with further professional advice taken, and a recommendation was presented to the Board. The recommendation was to not proceed with a large-scale redevelopment of the site and to explore alternative options for a smaller project focussing on the northern part of the site.

In 2018, the synagogue will also undergo a major clean up exercise aimed at creating and making better use of our current space.


Day-to-day we continue to rely on the huge and unstinting generosity of members, in remembering the community in their legacies and in donating so substantially to our future both in terms of monetary gifts and time on behalf of the Community. We remain extremely grateful.

Disclosure of information to auditors

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

On behalf of the Board

17 May 2018


Jackie Alexander
Chairman

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE BELSIZE SQUARE SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BELSIZE SQUARE SYNAGOGUE

Opinion

We have audited the accounts of The Belsize Square Synagogue (the 'charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity'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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

THE BELSIZE SQUARE SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BELSIZE SQUARE SYNAGOGUE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within 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 accounts 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 accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julian Challis (Senior Statutory Auditor)
for and on behalf of HW Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House
11-15 William Road
London
NW1 3ER

12/6/2018

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

| | Notes | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|-------------------------------------------------------------------------|-------|---------------------------------------|------------------------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | | |
| Donations and legacies | 3 | 705,506 | - | 104,733 | 810,239 | 1,093,824 |
| Charitable activities | 4 | 37,290 | - | - | 37,290 | 35,954 |
| Other trading activities | 5 | 167,524 | - | - | 167,524 | 153,089 |
| Investments | 6 | 6,532 | - | 317 | 6,849 | 3,507 |
| Total income | | 916,852 | - | 105,050 | 1,021,902 | 1,286,374 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 199,421 | 12,641 | 52,966 | 265,028 | 287,053 |
| Charitable activities | 8 | 716,004 | 113,925 | 56,651 | 886,580 | 858,243 |
| Total resources expended | | 915,425 | 126,566 | 109,617 | 1,151,608 | 1,145,296 |
| Net incoming/(outgoing) resources before transfers | | 1,427 | (126,566) | (4,567) | (129,706) | 141,078 |
| Gross transfers between funds | 18/19 | (8,879) | 9,379 | (500) | - | - |
| Net (expenditure)/income for the year/ Net movement in funds | | (7,452) | (117,187) | (5,067) | (129,706) | 141,078 |
| Fund balances at 1 January 2017 | | 1,236,635 | 2,836,426 | 102,905 | 4,175,966 | 4,034,888 |
| Fund balances at 31 December 2017 | | 1,229,183 | 2,719,239 | 97,838 | 4,046,260 | 4,175,966 |

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

All income and expenditure derive from continuing activities.

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

THE BELSIZE SQUARE SYNAGOGUE

BALANCE SHEET

AS AT 31 DECEMBER 2017

| | Notes | 2017 | | 2016 | |
|-------------------------------------------------------|-------|------------------|-------------------------|------------------|-------------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 2,719,239 | | 2,836,426 |
| Current assets | | | | | |
| Stocks | 14 | - | | 200 | |
| Debtors | 15 | 54,767 | | 63,642 | |
| Cash at bank and in hand | | 1,354,718 | | 1,363,699 | |
| | | <u>1,409,485</u> | | <u>1,427,541</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(82,464)</u> | | <u>(88,001)</u> | |
| Net current assets | | | <u>1,327,021</u> | | <u>1,339,540</u> |
| Total assets less current liabilities | | | <u><u>4,046,260</u></u> | | <u><u>4,175,966</u></u> |
| Income funds | | | | | |
| Restricted funds | 18 | | 97,838 | | 102,905 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 19 | 2,719,239 | | 2,836,426 | |
| General unrestricted funds | | <u>1,229,183</u> | | <u>1,236,635</u> | |
| | | | <u>3,948,422</u> | | <u>4,073,061</u> |
| | | | <u><u>4,046,260</u></u> | | <u><u>4,175,966</u></u> |

The accounts were approved by the Trustees on 17 May 2018


J Strauss
Trustee

Company Registration No. 07831243

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

| | Notes | 2017 £ | £ | 2016 £ | £ |
|-------------------------------------------------------------|-------|-----------|------------------|-----------|------------------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 21 | | (6,451) | | 273,939 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (9,379) | | - | |
| Proceeds on disposal of investment property | | - | | (4,560) | |
| Interest received | | 6,849 | | 3,507 | |
| Net cash used in investing activities | | | (2,530) | | (1,053) |
| Net (decrease)/increase in cash and cash equivalents | | | (8,981) | | 272,886 |
| Cash and cash equivalents at beginning of year | | | 1,363,699 | | 1,090,813 |
| Cash and cash equivalents at end of year | | | 1,354,718 | | 1,363,699 |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Charity information

The Belsize Square Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is 51 Belsize Square, London, NW3 4HX.

1.1 Accounting convention

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

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is included when receivable.

Incoming resources from charitable trading activities are accounted for when earned.

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of attracting voluntary income, collecting subscriptions and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of activities and services for beneficiaries.
- Other expenditure represents those items not falling in to any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|-----------------------|-------------------------------------------|
| Freehold buildings | Over 20 years straight line on completion |
| Fixtures and fittings | 25% and 33 1/3% straight line |
| Religious items | 10% reducing balance |
| Cemetery | Not depreciated |

Cemetery land is not depreciated because any potential depreciation charge is deemed to be immaterial at this stage. The Trustees continue to review and intend to depreciate the land when a material proportion of the burial land has been used.

The painting is included in the accounts at an insurance valuation and is not depreciated as the residual value is not expected to be less than current value.

Freehold buildings are included in the accounts at cost less depreciation. The Trustees are satisfied that at the present time the market value of the property exceeds the value at which it is recognised in the financial statements and therefore no impairment considerations are required.

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The Trustees are required to make judgements in respect of depreciation rates and non-depreciation of the charity's assets. Further information can be found on this in accounting policy 1.6.

The Trustees have also been required to make a judgement in respect of provisions for future liabilities. Accruals and deferred income of £79,209 (see note 16) includes a provision of £20,299 in respect of cemetery expenses. This estimate is based on work undertaken to date and a fully costed budget put together by the Board of Trustees. This estimate is revised as and when necessary to reflect changes in works carried out and confirmed/anticipated costs.

3 Donations and legacies

| | Unrestricted funds general £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|--------------------------------------------|---------------------------------------|--------------------------|--------------------|-------------------------|
| Donations and gifts | 243,298 | 104,733 | 348,031 | 334,734 |
| Legacies receivable | 19,688 | - | 19,688 | 324,165 |
| Membership fees | 442,520 | - | 442,520 | 434,925 |
| | <u>705,506</u> | <u>104,733</u> | <u>810,239</u> | <u>1,093,824</u> |
| For the year ended 31 December 2016 | <u><u>1,001,774</u></u> | <u><u>92,050</u></u> | | <u><u>1,093,824</u></u> |

4 Charitable activities

| | 2017 £ | 2016 £ |
|---------------------|---------------|---------------|
| Education & Welfare | 23,973 | 24,271 |
| Religion | 13,317 | 11,683 |
| | <u>37,290</u> | <u>35,954</u> |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

5 Other trading activities

| | 2017 | 2016 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Income from fundraising events | 23,435 | 14,866 |
| Hall hire and rental income | 75,651 | 75,716 |
| Security services | 65,238 | 58,159 |
| Other income | 3,200 | 4,348 |
| | <u>167,524</u> | <u>153,089</u> |

6 Investments

| | Unrestricted funds general £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|---------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Interest receivable | 6,532 | 317 | 6,849 | 3,507 |
| | <u>3,403</u> | <u>104</u> | | <u>3,507</u> |

7 Raising funds

| | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|--------------------------------------------|---------------------------------------|------------------------------------------|--------------------------|--------------------|--------------------|
| <u>Fundraising and publicity</u> | | | | | |
| Other costs | 2,147 | - | 52,966 | 55,113 | 25,368 |
| Development project | 19,292 | - | - | 19,292 | 1,440 |
| Event costs | 14,790 | - | - | 14,790 | 77,167 |
| Staff costs | 21,498 | - | - | 21,498 | 22,350 |
| | <u>57,727</u> | <u>-</u> | <u>52,966</u> | <u>110,693</u> | <u>126,325</u> |
| Share of support costs (see note 9) | 138,507 | 12,641 | - | 151,148 | 157,659 |
| Share of governance costs (see note 9) | 3,187 | - | - | 3,187 | 3,069 |
| | <u>199,421</u> | <u>12,641</u> | <u>52,966</u> | <u>265,028</u> | <u>287,053</u> |
| For the year ended 31 December 2016 | | | | | |
| Fundraising and publicity | <u>201,558</u> | <u>12,728</u> | <u>72,767</u> | | <u>287,053</u> |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Charitable activities

| | 2017 | 2016 |
|----------------------------------------|----------------|----------------|
| | £ | £ |
| Staff costs | 297,804 | 294,205 |
| Welfare | 30,000 | 25,000 |
| Burial/funerals | 68,746 | 55,516 |
| Religion and festivals | 131,479 | 117,624 |
| Other costs | 32,372 | 27,169 |
| | <u>560,401</u> | <u>519,514</u> |
| Share of support costs (see note 9) | 319,707 | 332,498 |
| Share of governance costs (see note 9) | 6,472 | 6,231 |
| | <u>886,580</u> | <u>858,243</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 716,004 | 714,940 |
| Unrestricted funds - designated | 113,925 | 114,723 |
| Restricted funds | 56,651 | 28,580 |
| | <u>886,580</u> | <u>858,243</u> |

9 Support costs

| | Support costs | Governance costs | 2017 | 2016 |
|-----------------------|----------------|------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Staff costs | 196,861 | - | 196,861 | 192,735 |
| Depreciation | 126,566 | - | 126,566 | 127,451 |
| Security | 67,620 | - | 67,620 | 66,820 |
| Other support costs | 79,808 | - | 79,808 | 103,151 |
| Audit fees | - | 9,659 | 9,659 | 9,300 |
| | <u>470,855</u> | <u>9,659</u> | <u>480,514</u> | <u>499,457</u> |
| Analysed between: | | | | |
| Fundraising | 151,148 | 3,187 | 154,335 | 160,728 |
| Charitable activities | 319,707 | 6,472 | 326,179 | 338,729 |
| | <u>470,855</u> | <u>9,659</u> | <u>480,514</u> | <u>499,457</u> |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

10 Trustees and related party transactions

None of the Trustees (or any persons connected with them) received any remuneration during the year. Six Trustees were reimbursed for expenses incurred in their capacity as Trustee totalling £3,630.

During the year payments of £7,959 (2016: £8,506) were made in total to three Trustees and three relatives, which has been recognised as a related party transaction. This was for services integral to the day to day activities of the Synagogue and not in their capacity as Trustees. The governing document permits such payment in pursuit of the charitable objectives. All decisions relating to the operation of the charity rest with the Trustees and therefore key management personnel comprises only the Trustees.

Earnings in the year to Trustees and relatives of Trustees for their roles as teachers/teaching assistants in the synagogue cheder were as follows:

| | |
|----------------------------|--------|
| Elizabeth Nisbet (Trustee) | £2,164 |
| Rebecca Nisbet (relative) | £454 |
| Benji Nathan (relative) | £387 |
| Peter Strauss (relative) | £24 |

Two Trustees provided catering services at a synagogue event - Adam Nathan Catering (a Trustee) £3,538 and payment of £1,392 was made to Claire Walford (a Trustee).

11 Employees

Number of employees

The average monthly number employees during the year was:

| 2017 Number | 2016 Number |
|----------------|----------------|
| 13 | 13 |

Employment costs

| | 2017 £ | 2016 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 465,534 | 461,554 |
| Social security costs | 32,449 | 32,212 |
| Other pension costs | 18,180 | 15,524 |
| | <u>516,163</u> | <u>509,290</u> |

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

| | 2017 Number | 2016 Number |
|-------------------|----------------|----------------|
| £60,000 - £69,999 | 1 | 1 |
| £80,000 - £89,999 | - | 1 |
| £90,000 - £99,999 | 1 | - |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

| 12 Tangible fixed assets | | Freehold buildings | Fixtures and fittings | Religious items/Sifrei Torah | Painting | Cemetery | Total |
|------------------------------------|--|--------------------|-----------------------|------------------------------|----------|----------|-----------|
| | | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | |
| At 1 January 2017 | | 2,469,341 | 63,092 | 2,558 | 25,000 | 891,983 | 3,451,974 |
| Additions | | - | 9,379 | - | - | - | 9,379 |
| Disposals | | - | (1,238) | - | - | - | (1,238) |
| At 31 December 2017 | | 2,469,341 | 71,233 | 2,558 | 25,000 | 891,983 | 3,460,115 |
| Depreciation and impairment | | | | | | | |
| At 1 January 2017 | | 570,870 | 43,630 | 1,048 | - | - | 615,548 |
| Depreciation charged in the year | | 114,257 | 12,158 | 151 | - | - | 126,566 |
| Eliminated in respect of disposals | | - | (1,238) | - | - | - | (1,238) |
| At 31 December 2017 | | 685,127 | 54,550 | 1,199 | - | - | 740,876 |
| Carrying amount | | | | | | | |
| At 31 December 2017 | | 1,784,214 | 16,683 | 1,359 | 25,000 | 891,983 | 2,719,239 |
| At 31 December 2016 | | 1,898,472 | 19,460 | 1,511 | 25,000 | 891,983 | 2,836,426 |

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

| | | | |
|-----------|-------------------------------------------------------|-------------------|-------------------|
| 13 | Financial instruments | 2017 | 2016 |
| | | £ | £ |
| | Carrying amount of financial assets | | |
| | Debt instruments measured at amortised cost | 37,880 | 43,009 |
| | | <u> </u> | <u> </u> |
| | Carrying amount of financial liabilities | | |
| | Measured at amortised cost | 71,100 | 77,055 |
| | | <u> </u> | <u> </u> |
| 14 | Stocks | 2017 | 2016 |
| | | £ | £ |
| | Finished goods and goods for resale | - | 200 |
| | | <u> </u> | <u> </u> |
| 15 | Debtors | 2017 | 2016 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Other debtors | 37,880 | 43,009 |
| | Prepayments and accrued income | 16,887 | 20,633 |
| | | <u> </u> | <u> </u> |
| | | 54,767 | 63,642 |
| | | <u> </u> | <u> </u> |
| 16 | Creditors: amounts falling due within one year | 2017 | 2016 |
| | | £ | £ |
| | Other taxation and social security | 11,364 | 10,946 |
| | Other creditors | 9,000 | 9,105 |
| | Accruals and deferred income | 62,100 | 67,950 |
| | | <u> </u> | <u> </u> |
| | | 82,464 | 88,001 |
| | | <u> </u> | <u> </u> |

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £18,180 (2016 - £15,524).

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

18 Restricted funds

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

| | Movement in funds | | | | |
|----------------------------|------------------------------|-----------------------|-----------------------|--------------|--------------------------------|
| | Balance at 1 January 2017 | Incoming resources | Resources expended | Transfers | Balance at 31 December 2017 |
| | £ | £ | £ | £ | £ |
| Israel | 16,922 | 53,444 | (47,966) | - | 22,400 |
| Chevra | 61,008 | 355 | - | - | 61,363 |
| Welfare | - | 30,000 | (30,000) | - | - |
| Medical Fund | - | 11,921 | (10,468) | - | 1,453 |
| Max Blum Book Prize Fund | 2,763 | - | - | - | 2,763 |
| Disabled Fund | 570 | - | - | - | 570 |
| Webcasting Project | 1,588 | 5,595 | (2,356) | (500) | 4,327 |
| VB Fund | 7,664 | 1,000 | (5,000) | - | 3,664 |
| Other Restricted Donations | 12,390 | 2,735 | (13,827) | - | 1,298 |
| | <u>102,905</u> | <u>105,050</u> | <u>(109,617)</u> | <u>(500)</u> | <u>97,838</u> |

Israel - Funds raised for support of specific projects in Israel.

Chevra Kadisha - Fund to support care for the sick and needy and for work involved in cases of death.

Welfare - Funds to support the Synagogues welfare activities.

Medical Fund - Funds raised to assist sick members.

Max Blum - Fund established to provide books as prizes at the Cheder.

Disabled Fund - Fund established to support needs of disabled members of the community.

Webcasting project - Funds received to install a camera and provide the infrastructure for webcasting synagogue services.

VB fund - Holding fund for Scholarships for musicians.

Other restricted donations - This represents amounts received for smaller projects.

THE BELSIZE SQUARE SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

19 Designated funds

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

| | Movement in funds | | | | Balance at 31 December 2017 |
|-------------------|---------------------------|--------------------|--------------------|--------------|-----------------------------|
| | Balance at 1 January 2017 | Incoming resources | Resources expended | Transfers | |
| | £ | £ | £ | £ | £ |
| Fixed Asset Funds | 2,836,426 | - | (126,566) | 9,379 | 2,719,239 |
| | <u>2,836,426</u> | <u>-</u> | <u>(126,566)</u> | <u>9,379</u> | <u>2,719,239</u> |

Fixed asset fund - equates to the value of fixed assets at the balance sheet date. The transfer above, equalling fixed asset additions, has been made for this purpose.

20 Analysis of net assets between funds

| | Unrestricted funds | Designated funds | Restricted funds | Total |
|-------------------------------------------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Fund balances at 31 December 2017 are represented by: | | | | |
| Tangible assets | - | 2,719,239 | - | 2,719,239 |
| Current assets/(liabilities) | 1,229,183 | - | 97,838 | 1,327,021 |
| | <u>1,229,183</u> | <u>2,719,239</u> | <u>97,838</u> | <u>4,046,260</u> |

21 Cash generated from operations

| | 2017 | 2016 |
|-------------------------------------------------------------------|----------------|----------------|
| | £ | £ |
| (Deficit)/surplus for the year | (129,706) | 141,078 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (6,849) | (3,507) |
| Depreciation and impairment of tangible fixed assets | 126,566 | 127,451 |
| Movements in working capital: | | |
| Decrease in stocks | 200 | - |
| Decrease in debtors | 8,875 | 10,902 |
| (Decrease) in creditors | (5,537) | (1,985) |
| Cash (absorbed by)/generated from operations | <u>(6,451)</u> | <u>273,939</u> |