

COMPANIES HOUSE  
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**ACCOUNTS  
FOR  
FINCHLEY REFORM SYNAGOGUE  
COMPANY LIMITED BY GUARANTEE  
COMPANY NUMBER 7321494  
CHARITY NUMBER 1137557**

**DIRECTORS REPORT  
AND FINANCIAL STATEMENTS  
31 AUGUST 2018**

**NYMAN LIBSON PAUL  
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS  
REGINA HOUSE  
124 FINCHLEY ROAD  
LONDON  
NW3 5JS**

# Finchley Reform Synagogue

## LEGAL AND ADMINISTRATIVE DETAILS

**DATE OF INCORPORATION** 21 JULY 2010  
**COMPANY NUMBER** 7321494  
**CHARITY NUMBER** 1137557

### Directors

### As Director

	Roger Barden		
	Sara Bensusan		
	Helen Dropkin	Resigned	5-Mar-18
	Martin Dropkin	Appointed	17-Dec-18
	Candice Gubbay		
Vice Chair	Robert Humphreys		
	Avi Marco		
	Ben Noah		
	Jennifer Nuni		
	Suzi Philip	Resigned	5-Mar-18
Senior Warden	Leah Rabinowitz (formerly known as Leah Jacobs)		
Chair	Michael Salida		
Treasurer	Robert Stitcher		
	Matthew Stratton		
	Emma Wohl	Appointed	19-Jun-18
	Gill Yentis		

### Company Secretary

Matthew Stratton

### PRINCIPAL ADDRESS

101 Fallow Court Avenue  
London N12 OBE

### BANKERS

NatWest Bank  
North West London Commercial Office  
30 Clarendon Road  
Watford  
Hertfordshire  
WD17 1GQ

### AUDITORS

Nyman Libson Paul  
Regina House  
124 Finchley Road  
London NW3 5JS

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2018**

The Directors have pleasure in presenting their report together with the audited financial statements of the Charity for the 12 months to 31 August 2018. The financial statements are in accordance with current statutory requirements, the Memorandum and Articles of Association of the Charity and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) and the Companies Act 2006.

This directors' report consolidates within it the strategic report and the trustees' report.

### **INCORPORATION, MEMORANDUM AND ARTICLES**

The Synagogue was incorporated as a charitable company limited by guarantee on 21 July 2010 when new Memorandum and Articles of Association were adopted. The assets and liabilities, contracts and ongoing operations of the predecessor unincorporated charity, of the same name, registered number 1057053, were transferred to the new charitable company on 1 October 2010 and accordingly the then existing unincorporated charity became inactive from that date.

Finchley Reform Synagogue, known in Hebrew as Kehillah Kadosha Etz Chaim, was constituted under a deed of trust established in 1960 and is a registered charity No. 1137557. The principal objects of the Synagogue remain the practice, promotion, development and advancement of Judaism in the spheres of public worship, religious, educational, social, cultural and charitable activities.

### **AUDITORS**

A resolution will be proposed at the Annual General Meeting to re-appoint Nyman Libson Paul as auditors.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Synagogue's governing document is its Memorandum and Articles of Association, which are reviewed periodically. The Directors of the Synagogue are its Council Members - including the Honorary Officers - who are elected annually by the membership in open meeting. The Directors are also Trustees of the Charity.

There is also provision for up to five members to be co-opted to serve on Council until the subsequent Annual General Meeting. No person may serve as just an ordinary Member of Council for more than six consecutive years. No Honorary Officer may serve in the same office for more than four consecutive years and no person (other than a retiring chairperson) may be a member of Council in any capacity for more than twelve consecutive years. Council will normally seek nominations for new Directors from those members who have specific relevant skills (for example financial, educational or spiritual), who are already active in the community or who represent particular interest groups from within the membership.

The Directors normally meet eleven times a year (a minimum of eight meetings is specified by the Memorandum and Articles of Association) and there are Sub-committees and Groups that report to the Council, which then approves their activities. The main Sub-committees and Groups are:

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2018**

**Ritual:** this committee deals with all aspects of the provision of Synagogue services including those at festivals. The clergy team have continued with their work of inspiring and leading changes within the religious services.

**Youth and Education:** this committee deals with the provision of religious schooling and youth activities for children of members, through to B'nei Mitzvah age and beyond.

**Kindergarten Management Committee:** oversees the operational and strategic development of the kindergarten.

**Chesed (Community Services):** this encompasses other community-based activities including co-ordinating the community's response to members in need.

**Finance:** this meets to review the financial affairs of the Synagogue

In addition to these and other committees and groups, the Synagogue employs administrative staff who, under the direction of the Synagogue's Executive Director, are responsible for the day to day management of the building, financial control and recordkeeping, the co-ordination of activities between the various groups and the management and administration on behalf of the clergy team. The Executive Director and the office staff are available to respond to queries which are often of a sensitive nature, including life cycle events and bereavements. Council, taking appropriate external advice where necessary, makes all significant operational decisions.

Jon Freedman left the Synagogue at the end of November 2018 after more than 6 years of service as our Executive Director, during which time he has overseen a large number of changes and improvements. We will all miss Jon and wish him every success in his new role. We are currently recruiting a permanent successor and in the meantime are grateful to Ben Langleben, who has stepped in as Interim Director.

The Memorandum and Articles of Association of the synagogue require certain key decisions to be approved by the membership in general meeting, including the appointment and/or termination of the employment of the Principal Rabbi, the purchase or sale of freehold property and the taking out of large loans.

### **EXTERNAL AFFILIATIONS**

The Memorandum and Articles of Association provide that the Synagogue shall be a member of Reform Judaism (previously Movement for Reform Judaism), for which membership affiliation fees are payable which are calculated according to a formula related to a percentage of the previous year's subscription income. A revised formula has been agreed for calculating affiliation fees for the year, which has resulted in a fairer allocation of these between the various member synagogues and our fees have returned to 2016 levels.

One of the benefits of membership of a synagogue is the availability of a burial plan, and a proportion of members' subscriptions are specifically levied in this respect: these amounts are paid by the Synagogue to the Jewish Joint Burial Society, which in most cases is then solely responsible for the provision of such burial services.

The Synagogue is also entitled to representation at the Board of Deputies of British Jews, for which a charge is levied based on the number of members.

## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2018

#### ACHIEVEMENT OF OBJECTIVES AND REVIEW OF ACTIVITIES

A full review of Synagogue activities is contained in the Synagogue's latest Annual Review. This is circulated to all members prior to the Annual General Meeting.

The key achievements during the year referred to in the Annual Review were:

**Ritual:** Our principal rabbi, Rabbi Miriam Berger and the clergy team continued to develop and lead religious services for the whole community, ensuring that they inspire every age group with content that covers prayer, study, and music and includes children's activities.

The B'Yachad service continues to grow offering a wonderful space for adults with learning disabilities to enjoy a Shabbat morning service in an inclusive and accessible way. This year the offering was extended to include a High Holy Days B'Yachad service.

Leah Jacobs remains the Senior Warden with a stable cohort of wardens carrying on from last year. The delegation of tasks previously carried out by just one or two people has continued with a separate team now dealing with scroll setting on a weekly basis. Some ex-wardens have also been invited back to assist with services leaving wardens more available to deal with the increasing numbers of B'nei Mitzvah being celebrated.

Allianz Park has been our venue for our Rosh Hashanah and Yom Kippur services for the last four years now, allowing all our members and their guests, as well as visiting members of other Reform communities, to pray together as a community in one location and enabling us to provide services for all ages and needs of our members.

**Youth and Education:** FRS Youth & Education provision continues to flourish as the number of pupils enrolled in youth programmes continues to increase. Under Karen Bloom's leadership Kochavim has 85 children on the roll with the new reception class full. The goal for Kochavim is to develop a unique curriculum, develop learning, and to create an environment where children feel secure and make friends.

TAP saw the beginning of a new multidisciplinary Tuesday afternoon programme for the 3 years leading up to Bar and Bat Mitzvah to support and create FRS values of community, mutual respect and for making active Jewish choices.

Friday Group, our unique B'nei Mitzvah programme, continued to grow with nearly 30 young people attending and numbers likely to increase into 2020.

Hebrew classes were expanded and a consistent approach to teaching across all ages has been implemented.

Youth leadership has been stepped up with a number of successful activities undertaken in the year. Our youth leadership programme was completely revised and was launched in 2017/8 with the help of monies donated by the Victoria Fund. We are very sorry to see Charlotte Morris our youth leader leave and thank her for her transformative work undertaken in 2018.

## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2018

**Kindergarten:** The Kindergarten has had a difficult but stable year, partially due to the carry forward of lower numbers from previous years and also higher competition in the area. The high standards of care and education are however as strong as ever, as evidenced by the "Outstanding" Ofsted classification. We are facing a smaller intake for a couple of years based on the capacity of alternative locations to be used whilst the synagogue goes through its proposed rebuilding programme. At present 33 children are enrolled in the morning with 20 attending an extended day (compared with 37 and 23 respectively last year). Our long term strategic plan envisages that these numbers will increase significantly once we have completed our rebuilding project.

Shofar, the new full-day nursery joint venture between FRS, Alyth and RJ, has successfully completed its third year.

**Community:** FRS continued its participation in the Together in Barnet Shelter programme, providing dinner, bed and breakfast in a homely atmosphere, once a week, for 15 homeless men and women. In December 2018 FRS hosted its third Christmas Shelter, providing 3 nights of accommodation, kosher turkey Christmas dinner and Christmas decorations. For the fifth consecutive year, the synagogue was able to host the Somali Bravanese community for their Ramadan prayers as they were still without a replacement for their premises destroyed in an arson attack in 2013. In conjunction with the Somali Bravanese community, we hosted an Iftar (fast-breaking meal) which representatives of many faiths and local politicians attended.

**Chesed (Community Services):** Chesed continues to provide care to our members when and where required. The group organises support at times of bereavement and Festivals, as well as throughout the year as and when needed, supporting the Principal Rabbi in her work as well as organising the telephoning of the entire membership in the run-up to Pesach. The group are focussing on training volunteers and responding to issues of ageing by running evenings on various issues of care and independence.

**Grants:** Charitable grants awarded were £51,555 (comparative 2017 £54,488). Within this total, the amount of grants via the High Holy Day Appeal was £ 43,538 (comparative 2017 £44,558).

The High Holy Day Appeal main beneficiaries were those charities on which Council had agreed to focus. These were: Citizens UK £8,298; Noahs Ark £6,802; The Abraham Fund £ 6,460; Keshet UK £5,571 and RJ Communities that Care £5,841. Full details are in Note 15.

## FINANCIAL REVIEW

The Statement of Financial Activities for the year ended 31 August 2018 is set out on page 4 of the accounts and shows a net operating deficit from operations of (£2,269) (comparative 2017 surplus £22,717).

This year the synagogue re-started its building project and has resubmitted new plans to the local council. In the year we have spent £113,228 from our restricted building fund (comparative 2017 £Nil)

The Synagogue's unrestricted reserves now total £213,442 (comparative 2017 - £225,830).

## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2018

The movements in the restricted funds comprise the following major elements: -

- The High Holy Day Appeal received £43,176. It disbursed £37,772 and made net transfers of £5,766.
- The Building Fund received £43,412 in the year and disbursed £113,228
- Summer Hype received £11,959 in the year and disbursed £3,225
- The Victoria Fund received £24,000 and £14,801 was disbursed from this fund in the year.
- Belarus Project received £191 and £6,383 was transferred in, £5,766 from the High Holy Day Appeal and £617 from the FRS Charity Committee. It disbursed £8,614 in the year.

A full summary of movements is detailed in note 11.

### PLANS FOR THE FUTURE

Within each of our main categories the following are the short / medium term goals:

**Rebuilding Project:** our rebuilding project is proceeding well, and a formal application for permission to build is to be considered by Barnet Council on 12<sup>th</sup> February 2019. We are currently fundraising for the project, and anticipate moving off-site late in 2019, to allow construction to begin. We will be arranging an Extraordinary General Meeting in the summer or autumn in order to gain the community's consent to proceed, once we have sufficient funds raised. Overall governance of the project continues to be delivered by the Building Oversight Group.

**Ritual:** The recruitment of additional wardens and the succession of new leadership from the membership continues. We were sorry to lose our new rabbi, Danny Newman, a year after he joined us: we are grateful for everything Danny achieved in his time with us and wish him every success in the future. Our clergy team continue to explore and introduce innovative choices of prayer services alongside the main services.

**Youth and Education:** We continue to look for innovative ways to enrich and lead our young people through their unique FRS youth journey. In particular, there is a strong focus on developing our future youth leaders to ensure that we have appropriate capability and resources to serve as madrichim in future years

**Kindergarten:** To continue to provide an excellent standard of nursery care, and to undertake the necessary planning to ensure a smooth transition during the period when we will be operating from an alternative location.

**Chesed (Community Services).** Chesed are focussing on training volunteers, and holding evenings that respond to issues and needs arising within the community.

**Financial:** The latest budget for 2018/19 anticipates a balanced budget which is considered to be in line with the Synagogue's governance and aims.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2018**

#### **INVESTMENT POLICY**

There are no restrictions on the Synagogue's powers to invest. The Trustees operate a low risk strategy with respect to investments, which necessarily results in low interest income. The unrestricted and restricted funds may be invested in any type of investment.

#### **RESERVES POLICY**

It is the policy of the Synagogue to maintain our unrestricted funds, which are the free reserves of the Synagogue, at a level which is adequate to keep the Synagogue solvent. In conjunction with the subscriptions and other incoming resources, this provides sufficient funds to cover the administrative and support costs of the Synagogue.

As identified in note 14, the unrestricted funds are £213,442 a decrease of £12,388. This includes £136,315 in the Designated Fund – Fixed Assets. The unrestricted funds level is more than sufficient to cover payroll costs for several months and provides for asset depreciation and repairs as identified in note 13.

The restricted funds are funds donated to the Synagogue for expenditure of a specific purpose or nature and are described in detail in note 11 of the accounts. Sufficient funds are held in an appropriate form to enable the funds to be applied for the purpose for which they were established.

#### **GRANT MAKING POLICY**

The Synagogue pursues its charitable giving through a number of programmes but mainly through the High Holy Day Appeal and the Charity Committee, which disburses the net income generated by a number of fund-raising activities during the year. With the exception of minor disbursements in the case of need, our policy is to make grants only out of donations received and only to registered charities, whether in the UK or overseas.

The Synagogue has a policy to support a small number of charities over a three-year period, allowing FRS to build up a better understanding of each charity's needs than would otherwise be the case when one-off donations are made. Council agreed five charities which will be supported during a three-year period of which year two was the year ended 31 August 2018.

Additionally, the synagogue continues to support other charities with smaller donations managed by a dedicated group of members. During 2018 £4,315 was also disbursed through the FRS Cares Fund.

Details of grants made are shown in note 15 of the accounts.

#### **FUNDRAISING POLICY**

The charity is committed to best practice, as outlined by the Fundraising Regulator, in its approach to fundraising and closely monitors its activities in this area, ensuring that vulnerable members are protected. No professional fundraisers are used to approach members or other individuals for donations.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2018**

#### **RISK MANAGEMENT**

The directors have examined the major strategic, business and operational risks which the Synagogue faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate risks as appropriate.

The directors implemented a new set of procedures and policies in order to respond to the introduction of the new General Data Protection Regulation in 2018, under the guidance of Jennifer Nuni, our director with specific relevant experience.

#### **POST BALANCE SHEET EVENTS**

Other than described above, there are no post balance sheet events to disclose.

#### **DIRECTORS' RESPONSIBILITIES IN RELATION TO THE ACCOUNTS**

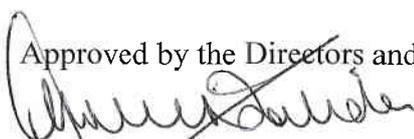
The directors are responsible for preparing the Directors Report and financial statements in accordance with applicable laws and regulations. The law applicable in England & Wales requires the Board of Directors to prepare financial statements for each financial year in accordance with applicable Accounting Standards, which give a true and fair view of the company's financial activities during the year and of its financial position at the end of the financial year. In preparing those financial statements to give a true and fair view, the Board of Directors should follow best practice and: -

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- Prepare the accounts on a going concern basis, unless it is inappropriate to presume that the charity will continue to operate.

The Directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the company. These should enable them to ascertain the financial position of the company and to ensure that the financial statements comply with the requirements of applicable law and regulations. The Directors 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.

As far as the Directors are aware, at the time this report is approved, there is no relevant audit information of which the company's auditor is unaware and the Directors have taken all steps that they ought reasonably to have taken as directors, in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Directors and signed on their behalf by:



**Michael Salida, Chair**

11 February 2019



**Robert Sticher, Treasurer**

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINCHLEY REFORM SYNAGOGUE

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### Opinion

We have audited the financial statements of Finchley Reform Synagogue (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows, and the related notes, 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

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

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

We have nothing to report in this regard.

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINCHLEY REFORM SYNAGOGUE

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### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of directors**

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINCHLEY REFORM SYNAGOGUE

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Nyman Libson Paul*

Jennifer Pope (Senior Statutory Auditor)  
for and on behalf of  
**Nyman Libson Paul**

Chartered Accountants  
Statutory Auditors

Regina House  
124 Finchley Road  
London  
NW3 5JS

Date: 11/02/19

**FINCHLEY REFORM SYNAGOGUE**

**BALANCE SHEET AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

FINCHLEY REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018

INCOME AND EXPENDITURE	Notes	Unrestricted			Total	Unrestricted			Total
		Operations	Designated	Restricted	Funds 2018	Operations	Designated	Restricted	Funds 2017
		£	£	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>									
Donations and legacies	2a	867,824		139,406	1,007,230	790,076		142,942	933,018
Other Trading Activities	2b	7,425		-	7,425	4,885		-	4,885
Investments		462		4	466	821		3	824
Charitable Activities	2c	255,093		-	255,093	239,872		-	239,872
<b>TOTAL</b>		<b>1,130,804</b>	<b>-</b>	<b>139,410</b>	<b>1,270,214</b>	<b>1,035,654</b>	<b>-</b>	<b>142,945</b>	<b>1,178,599</b>
<b>EXPENDITURE ON</b>									
Charitable activities	3, 5, 6, 11	1,133,073	-	196,472	1,329,545	1,012,937	-	75,334	1,088,271
Other	8, 14	-	9,119	-	9,119	-	12,575	-	12,575
<b>TOTAL</b>		<b>1,133,073</b>	<b>9,119</b>	<b>196,472</b>	<b>1,338,664</b>	<b>1,012,937</b>	<b>12,575</b>	<b>75,334</b>	<b>1,100,846</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(2,269)</b>	<b>(9,119)</b>	<b>(57,062)</b>	<b>(68,450)</b>	<b>22,717</b>	<b>(12,575)</b>	<b>67,611</b>	<b>77,753</b>
Transfer between funds	11, 14	(1,000)	-	1,000	-	(1,000)	-	1,000	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(3,269)</b>	<b>(9,119)</b>	<b>(56,062)</b>	<b>(68,450)</b>	<b>21,717</b>	<b>(12,575)</b>	<b>68,611</b>	<b>77,753</b>
Balance brought forward at beginning of year		80,396	145,434	186,151	411,981	58,679	158,009	117,540	334,228
<b>Balance carried forward at end of year</b>		<b>77,127</b>	<b>136,315</b>	<b>130,089</b>	<b>343,531</b>	<b>80,396</b>	<b>145,434</b>	<b>186,151</b>	<b>411,981</b>

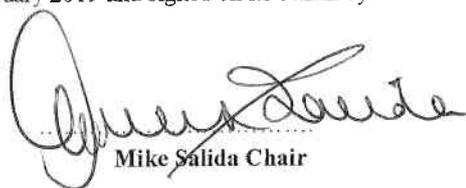
The notes on pages 7 to 11 form part of these financial statements

**FINCHLEY REFORM SYNAGOGUE**

**STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2018**

	Notes	31 August 2018		31 August 2017	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	8		124,299		124,707
<b>Current Assets</b>					
Debtors and prepayments	9	51,524		76,188	
Short term deposits		346,314		403,985	
Cash at bank and in hand		<u>5,501</u>		<u>5,972</u>	
			403,339		486,145
<b>Current Liabilities</b>					
Amounts falling due within one year	10		<u>(184,107)</u>		<u>(198,871)</u>
<b>Net Current Assets</b>			219,232		287,274
<b>Net Assets</b>			<u><u>343,531</u></u>		<u><u>411,981</u></u>
<b>Funds</b>					
Restricted	11		130,089		186,151
Unrestricted	14		<u>213,442</u>		<u>225,830</u>
			<u><u>343,531</u></u>		<u><u>411,981</u></u>

Approved by the Board of Directors (The Synagogue Council)  
on 11 February 2019 and signed on its behalf by:

  
Mike Salida Chair

  
Rob Stitche Treasurer

The notes on pages 7 to 11 form part of these financial statements

**FINCHLEY REFORM SYNAGOGUE**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net (expenditure)/income for the year as per the statement of financial activities	(68,450)	77,753
<b>Adjustment for:-</b>		
Depreciation charges	9,119	12,575
Decrease/(increase) in debtors	24,664	(12,002)
(Decrease)/increase in creditors	(14,764)	25,047
<b>Net cash (utilised)/generated in operating activities</b>	<u>(49,431)</u>	<u>103,373</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(8,711)	-
<b>Net cash (utilised)/generated in investing activities</b>	<u>(8,711)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the year</b>	(58,142)	103,373
Cash and cash equivalents brought forward	409,957	306,584
<b>Cash and cash equivalents carried forward</b>	<u><u>351,815</u></u>	<u><u>409,957</u></u>

# FINCHLEY REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

### General information

Finchley Reform Synagogue is a charitable company limited by guarantee and is incorporated in England. The address of the registered office and its place of business is: 101 Fallow Court Avenue, London N12 0BE.

### 1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Finchley Reform Synagogue meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

### 1.2 Preparation of the financial statements on a going concern basis

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

### 1.3 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Subscription income is included in the financial year to which it relates after making allowance for any amounts that are unlikely to be collected

Kindergarten and Education fees are recognised in the term to which they relate.

Gift Aid claimable in relation to qualifying donations received is recognised at the time of the donation.

Legacy income is recognised on written confirmation from executors that the amounts are receivable.

Other income, including rental of the Synagogue hall, is accounted for on an accruals basis.

### 1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. The charity is not registered for VAT and accordingly expenditure includes any VAT which cannot be recovered and is included in the relevant costs in the statement of financial activities. Direct synagogue expenditure comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and 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.

Certain costs, primarily the cost of the rabbinic team, are allocated on the basis of an estimate of the time spent on each activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. These costs are allocated to the various activities based on the number of staff employed in each area.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

### 1.5 Fund accounting

Unrestricted funds are those that can be applied at the discretion of the Trustees for any of the charitable purposes permitted by the Constitution.

Unrestricted funds include the designated fixed assets fund as described in the Trustees' Report and Note 13.

Restricted funds represent donations or income for which the respective donors have imposed restrictions as to their use.

### 1.6 Pensions

The Synagogue operates a defined contribution pension scheme and also contributes to the personal pension schemes of certain employees. The pension charge in the financial statements represents the total contributions payable in respect of both types of scheme made by the Synagogue in respect of the period.

### 1.7 Tangible fixed assets and depreciation

Fixed assets are included at cost less accumulated depreciation. Individual capital additions below £1,500 are written off in the year.

The following rates of depreciation are employed to depreciate those assets over their effective lives:

		Depreciation charged against
Freehold buildings (excluding synagogue vestments and furniture)	- None	See note below
Synagogue Improvements	- 10% on cost	Designated Fund - Fixed Assets
Kindergarten Extension	- 10% on cost	Designated Fund - Fixed Assets
Vestments, furniture & books	- 15% on cost	Designated Fund - Fixed Assets
Office and sound system equipment	- 20/25% on cost	Designated Fund - Fixed Assets
Computers	- 25% on cost	Designated Fund - Fixed Assets

The synagogue and the adjoining building were professionally valued in October 1998 at £520,000. The valuation was significantly in excess of the original cost and the Trustees consider that this continues to be the case. No depreciation has been charged as it is considered that the residual value is at least as great as the carrying value. The charity operates a rolling repairs and maintenance program to ensure that this policy continues to be appropriate.

## **1.8 Taxation**

The Synagogue is registered as a charity and is not liable to United Kingdom income or corporation tax on its income from charitable activities as they are applied wholly to charitable objectives.

## **1.9 Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

## **1.10 Cash at bank and in hand**

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

## **1.11 Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **1.12 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.

## **1.13 Judgments in applying accounting policies and key sources of estimation uncertainty**

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

## **Accruals**

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

## **Tangible fixed assets**

Building improvements, fixtures and fittings, office equipment and computer equipment are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account.

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

2a DONATIONS AND LEGACIES

	2018	2017
	£	£
<b>Unrestricted funds</b>		
Subscriptions	652,579	612,081
Income Tax Recoverable	141,241	132,259
Parental Contributions to Educational Costs	43,730	38,192
Donations	30,274	7,544
	<u>867,824</u>	<u>790,076</u>
<b>Restricted funds</b>		
Donations	139,406	142,942
	<u>1,007,230</u>	<u>933,018</u>

2b OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Hire of hall	5,018	3,139
Synagogue magazine advertising	2,407	1,746
	<u>7,425</u>	<u>4,885</u>

2c CHARITABLE ACTIVITIES

	2018	2017
	£	£
Sale of High Holy Day tickets	8,345	7,438
Second Seder night	1,705	1,573
Marriages	2,300	2,825
Education fees - Kindergarten	212,595	207,023
Income from holiday schemes	30,148	21,013
	<u>255,093</u>	<u>239,872</u>

3 CHARITABLE ACTIVITIES

	Staff Costs	Direct Costs	Support Costs	2018	2017
	£	£	£	£	£
Services & Festivals	231,281	79,038	77,806	388,125	310,260
Youth & education	145,251	31,555	70,180	246,986	229,135
Kindergarten	180,101	15,205	38,516	233,822	211,018
Community activity	-	11,750	48,720	60,470	48,302
Interest	-	-	-	-	-
	<u>556,633</u>	<u>137,548</u>	<u>235,222</u>	<u>929,403</u>	<u>798,715</u>

4 SUPPORT COSTS

	Services & Festivals	Youth & Education	Kindergarten	Community activities	Interest	Governance costs	Total 2018	Total 2017
	£	£	£	£	£	£	£	£
<b>Premises costs</b>								
Caretaking costs	11,628	11,628	11,628	1,938	-	1,938	38,760	36,461
Lighting, heating and rates	2,993	2,993	2,993	499	-	497	9,975	9,866
Repairs and maintenance	4,607	4,607	4,607	768	-	769	15,388	21,205
Cleaning costs	1,209	1,209	1,209	202	-	202	4,031	4,196
<b>Office costs</b>								
Administrative staff costs	29,316	29,316	5,863	29,316	-	23,452	117,263	108,193
Printing, postage & stationery	2,097	2,097	419	2,097	-	1,676	8,386	9,389
Telephone	1,449	1,449	-	1,449	-	482	4,829	5,875
Insurance	2,492	2,492	2,492	415	-	416	8,307	8,093
Interest paid	-	-	-	-	-	-	-	-
Bank charges	602	602	602	602	-	604	3,012	2,483
Equipment repairs and maintenance	3,277	3,277	3,277	546	-	546	10,923	10,836
Computer and website consultancy	2,597	2,597	2,597	433	-	432	8,656	430
Legal & professional fees: Building	-	-	-	-	-	12,000	12,000	366
Legal & professional fees: Other	-	-	-	-	-	3,473	3,473	2,518
<b>Security</b>	12,710	5,084	-	7,626	-	-	25,420	20,598
<b>Other Items</b>	2,829	2,829	2,829	2,829	-	1	11,317	3,226
	<u>77,806</u>	<u>70,180</u>	<u>38,516</u>	<u>48,720</u>	<u>-</u>	<u>22,488</u>	<u>257,710</u>	<u>243,735</u>

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

5. GOVERNANCE COSTS

	Unrestricted Funds	
	2018	2017
	£	£
Trustee Indemnity Insurance	559	541
Audit	5,340	5,520
Allocated Support costs	22,488	32,032
	<u>28,387</u>	<u>38,093</u>

6. OTHER COSTS

	Unrestricted Funds	
	2018	2017
	£	£
Reform Judaism	97,844	103,988
Jewish Joint Burial Society	60,786	58,225
Board of Deputies	16,653	13,916
	<u>175,283</u>	<u>176,129</u>

7. STAFF COSTS

	2018	2017
	£	£
Wages and Salaries	635,114	557,187
National Insurance	47,788	41,867
Pension Costs	25,643	25,929
	<u>708,545</u>	<u>624,983</u>

	2018	2017
	Full Time Equivalent	Number of Employees
<b>Staff numbers (full time equivalents) were as follows:</b>		
Spirituality	3.30	2.50
Education	3.85	3.35
Youth	1.50	1.00
Kindergarten	5.80	5.50
Administrative	4.35	4.30
	<u>18.80</u>	<u>16.65</u>

	2018	2017
The number of higher paid employees in the band £60,001-£70,000	1	1
	<u>1</u>	<u>1</u>

	2018	2017
	£	£
Total employee benefits of key management personnel	129,654	127,025

No expenses were reimbursed to Trustees or persons connected with them.

8. TANGIBLE FIXED ASSETS

Cost	Freehold	Synagogue,	Synagogue	Office &	Computers	Total
	Land and Buildings	Youth Centre & Kindergarten Improvements	vestments furniture & books	Sound System Equipment		
	£	£	£	£	£	£
At 1 September 2017	109,615	339,529	34,084	37,210	40,786	561,224
Disposals	-	-	-	10,855	-	10,855
Additions	-	-	-	8,711	-	8,711
Total cost at 31 August 2018	<u>109,615</u>	<u>339,529</u>	<u>34,084</u>	<u>35,066</u>	<u>40,786</u>	<u>559,080</u>
<b>Accumulated depreciation</b>						
At 1 September 2017	18,575	307,148	34,084	35,924	40,786	436,517
Disposals	-	-	-	10,855	-	10,855
Charge for the period	-	6,392	-	2,727	-	9,119
Total cost at 31 August 2018	<u>18,575</u>	<u>313,540</u>	<u>34,084</u>	<u>27,796</u>	<u>40,786</u>	<u>434,781</u>
<b>Net Book Values</b>						
At 31 August 2018	<u>91,040</u>	<u>25,989</u>	<u>-</u>	<u>7,270</u>	<u>-</u>	<u>124,299</u>
At 31 August 2017	<u>91,040</u>	<u>32,381</u>	<u>-</u>	<u>1,286</u>	<u>-</u>	<u>124,707</u>

The outstanding capital commitment at 31 August 2018 was £Nil (2017 - £Nil)

The Trustees consider that the residual value of the freehold property is not materially different to cost so no depreciation charged

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

9. DEBTORS AND PREPAYMENTS comprise

	2018	2017
	£	£
Income tax recoverable	84	-
Sundry debtors and prepayments	51,440	76,188
	51,524	76,188

10. CURRENT LIABILITIES - Amounts falling due within one year:

	2018	2017
	£	£
Board of Deputies levy	14,132	11,404
Kindergarten fees received in advance	14,523	25,809
Hall hire deposits	750	1,400
High Holydays ticket sales received in advance	1,250	350
PAYE and NIC for August	8,751	13,099
Audit Fee	5,300	5,000
Pension Contributions	2,537	2,021
Rabbinic Costs	30,204	17,379
JJBS Over-Age Payments	5,678	6,301
Trade Creditors	48,300	12,521
Other creditors and accruals	52,682	103,587
	184,107	198,871

11. RESTRICTED FUNDS

These are analysed as follows:	Balance at 01.09.17	Interest accrued	Donations received	Transfers	Disbursed during year	Balance at 31.08.18
	£	£	£	£	£	£
Belarus Project Fund	3,663	-	191	6,383	(8,614)	1,623
Building Fund	94,692	-	43,412	-	(13,228)	24,876
Community Engagement Fund	10,420	-	-	-	-	10,420
Czech Scroll Trust Fund	927	-	-	-	(363)	564
FRS Cares Fund	15,213	-	1,598	1,000	(4,315)	13,496
FRS Charity Committee Fund	1	-	3,701	(617)	(3,085)	-
High Holyday Appeal Fund	1,506	4	43,176	(5,766)	(37,772)	1,148
Inter-Faith Fund	933	-	3,100	-	(1,626)	2,407
Jack Petchey Award Fund	2,388	-	2,250	-	(2,538)	2,100
James Harris Memorial Prize	229	-	-	-	(165)	64
Musical Engagement Intern Fund	375	-	-	-	-	375
RJ Community Development Grant	-	-	4,808	-	(4,808)	-
Singing for the Memory Fund	-	-	1,211	-	(899)	312
Summer Hype	2,949	-	11,959	-	(3,225)	11,683
Youth and Education Victoria Fund	48,000	-	24,000	-	(14,801)	57,199
Youth Group Fund	4,855	-	-	-	(1,033)	3,822
	186,151	4	139,406	1,000	(196,472)	130,089

All the Disbursements totalling £196,472 were for Charitable Activities

Details relating to restricted

funds expending or holding over £2,000

Sources of funds	Restrictions of funds	Assets of funds
Belarus Project Fund	Preservation of Jewish heritage in Belarus	FRS bank account
Building Fund	Improvement of building	FRS bank account
Community Engagement Fund	Involving marginalised Jews and non Jews in communal life	FRS bank account
FRS Cares Fund	Grants and subsidies to members	FRS bank account
FRS Charity Committee Fund	Charitable donations	FRS Charity bank account
High Holyday Appeal Fund	Charitable donations	HHID Appeal bank account
Inter-Faith Fund	Development of interfaith connections and understanding	FRS bank account
Jack Petchey Award Fund	Development of youth resources and facilities	FRS bank account
Summer Hype	Summer Camp for disadvantaged children	FRS bank account
Youth and Education Victoria Fund	Facilitating Jewish life for FRS youth	FRS bank account
Youth Group Fund	Facilitating Jewish life for FRS youth	FRS bank account

Details of transfers between unrestricted and restricted funds:

The Synagogue donated £1,000 to FRS Cares out of general reserves.

FUNCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
<b>Analysis of net assets between funds - current year</b>				
Tangible fixed assets		124,299		124,299
Current assets	261,234	12,016	130,089	403,339
Creditors due within one year	(184,107)			(184,107)
	<u>77,127</u>	<u>136,315</u>	<u>130,089</u>	<u>343,531</u>
<b>Analysis of net assets between funds - prior year</b>				
Tangible fixed assets		124,707		124,707
Current assets	279,267	20,727	186,151	486,145
Creditors due within one year	(198,871)			(198,871)
	<u>80,396</u>	<u>145,434</u>	<u>186,151</u>	<u>411,981</u>

13. DESIGNATED FUND - FIXED ASSETS

This was established in 2008. The purpose of this fund is to make proper provision for depreciation on existing fixed assets, for future repairs and renewals of the synagogue building and to provide funds for a possible major refurbishment and/or future building improvements.

No transfer was made to this Fund for the year ended 31 August 2018.

14. UNRESTRICTED FUNDS

	Balance at 01.09.17	Donations received	Transfers	Incoming/Outgoing	Balance at 31.08.18
	£	£	£	£	£
General Reserves	80,396	-	(1,000)	(2,269)	77,127
Bequest and Legacy Fund	-	-	-	-	-
	<u>80,396</u>	<u>-</u>	<u>(1,000)</u>	<u>(2,269)</u>	<u>77,127</u>
Designated Fund - Fixed Assets	145,434	-	-	(9,119)	136,315
Total Unrestricted Funds	<u>225,830</u>	<u>-</u>	<u>(1,000)</u>	<u>(11,388)</u>	<u>213,442</u>

The amount disbursed from the Designated Fund - Fixed Assets of £9,119 relates to the years depreciation of £1,258 on the Photocopier and Sound System, £2,655 on the Synagogue Improvements, £3,737 on the Kindergarten Improvements and £1,469 on office equipment.

15. GRANTS PAYABLE IN FURTHERANCE OF THE CHARITY'S OBJECTS

Fund	Recipients (all Institutional)	2018	2018
		£	£
FRS Cares	23 amounts under £500 and 1 of £750		4,315
FRS Charity Committee	Citizens UK	925	
	Noahs Ark	617	
	Abraham Fund	617	
	Keshet UK	617	
	RJ (Communities that Care)	309	
		<u>3,085</u>	
	Transfer to FRS Belarus Project Fund	617	3,702
High Holyday Appeal	Citizens UK	8,298	
	Noahs Ark	6,802	
	Abraham Fund	6,460	
	Keshet UK	5,571	
	RJ (Communities that Care)	5,841	
	1 amount of £500	500	
	3 amounts of £250	750	
	2 amounts of £200	400	
	1 amount of £150	150	
	30 amounts of £100	<u>3,000</u>	
		<u>37,772</u>	
	Transfer to FRS Belarus Project Fund	5,766	43,538
			<u>51,555</u>

16. RELATED PARTY TRANSACTIONS

	£
Salary paid to a Director as Head of Kindergarten	9,258
Salary paid to daughter of a Director as Office Receptionist/Secretary	4,475
Salary paid to son and daughter of a Director as Religion School helpers	597
Salary paid to daughter of a Director as a Religion School helper	224
Salary paid to daughter of a Director as a Youth Worker	98
	<u>14,652</u>

	2018	2017
	£	£
Total amount of unrestricted donations received from related parties, including trustees	<u>5,260</u>	<u>787</u>

17. MEMBERS LIABILITY

The liability of every member is limited to an amount not exceeding £1

18. COMMITMENT

There is no contractual commitment to expend any funds on the building project during the next financial year.

19. CONTINGENT LIABILITY

There are no Contingent Liabilities as at 31 August 2018