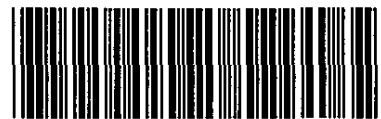


Charity Registration No 1135296

Company Registration No. 07115198 (England and Wales)

HENDON REFORM SYNAGOGUE
COUNCIL MEMBERS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

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HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|--|---|
| Honorary officers | Mr D R Marks (President) Mr S Abbey (Vice president) Mr S L Isaacs (Vice president) |
| Council | Mr P A Bright (Vice chairman) Mrs D K B Gosen Mr P S V Joseph Mr K R J Maddison Mr M D Marlowe Mr A H Owen (Chairman) Mr M J Ozin Mr L I Permutt Mr K E Sander Mr E G Shirman (Secretary) Dr B Magnus Miss K Michael Mrs J Tucker |
| Senior minister Minister | Rabbi S Katz BA Hons Rabbi Y Keren MA CEng |
| Administrator | Mrs R Bloom |
| Charity number | 1135296 |
| Company number | 07115198 |
| Principal address and registered office | Danescroft Avenue Hendon London NW4 2NA |
| Auditors | Gerald Edelman 1238 High Road Whetstone London N20 0LH |
| Bankers | Barclays Bank Plc 126 Station Road Edgware HA8 7RY |

HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Howard Kennedy
19 Cavendish Square
London
W1A 2AW

Investment advisors

The Roberts Partnership
80 Mosley Street
Manchester
ME2 3FX

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2013

The Council presents it's report and accounts for the year ended 28 February 2013

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the special provisions relating to small companies within part 15 of the Companies Act 2006 the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and comply with the Synagogue's governing document,

Structure, governance and management

The Synagogue is a company limited by guarantee It is governed by its memorandum and articles of association together with rules and bye laws made for the proper conduct and management of the Synagogue

The members of the Council, who are also the directors for the purpose of company law, and who served during the year were

| | |
|-------------------------------|-----------------------------|
| Mr P A Bright (Vice chairman) | |
| Mrs S E Davies | (Resigned 15 July 2012) |
| Mrs D K B Gosen | |
| Mr P S V Joseph | |
| Mr K R J Maddison | |
| Mr M D Marlowe | |
| Mr R B Mendoza (Treasurer) | (Resigned 15 July 2012) |
| Mr A H Owen (Chairman) | |
| Mr M J Ozin | |
| Mr L I Permutt | |
| Mr K E Sander | |
| Mr E G Shirman (Secretary) | |
| Mr L Stein | (Resigned 31 December 2012) |
| Dr B Magnus | (Appointed 15 July 2012) |
| Miss K Michael | (Appointed 15 July 2012) |
| Mrs J Tucker | (Appointed 15 July 2012) |

Members of the Synagogue over 21 years of age may stand for election to the Council Council members are generally appointed at the Annual General Meeting

None of the members of the Council has any beneficial interest in the company All of the members of the Council are members of the company and guarantee to contribute £1 in the event of a winding up

The induction process of newly appointed Council members comprises an initial meeting with Council members followed by short meetings with key members of staff They are provided with a welcome pack which includes the memorandum and articles of association and bye laws of the Synagogue, the last three years accounts which currently include accounts of the predecessor organisation and the Charity Commission's guidance "The Essential Trustee"

Council members are covered by indemnity insurance the annual premium is £636

The Synagogue is run by a Council of up to twenty members who are elected at the Annual General Meeting In addition, the Council can co-opt up to three additional members The Council generally makes decisions based on the recommendations of appropriate sub committees

Day to day running of the Synagogue is overseen by the Synagogue administrator

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

Hendon Reform Synagogue is a constituent member of the Movement for Reform Judaism ("MRJ") The MRJ supports individuals, rabbis and synagogues in communities across the UK to meet their spiritual, social and educational needs

Each year the Council assesses the major risks to which the Synagogue is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

There are significant external risks to funding exacerbated by the difficult economic climate A Strategy Group formed to assist the Council have produced a report and the Council are considering its recommendations

Internal control risks are minimised by procedures for the authorisation of transactions

Investment risk is managed by the appointment of external investment advisors who make recommendations to an Investment Committee

Appropriate Criminal Records Bureau (CRB) checks are made on all those who work with children or other vulnerable groups

Objectives and activities

The Synagogue is a congregation following the Jewish religion with the aims of providing and maintaining a place for the purpose of public worship and advancing religious, educational and charitable activities The restricted funds comprise donations received for specific use within the Synagogue together with funds held for particular charities and charitable activities The policies adopted in furtherance of these objects are to conduct a range of religious services and ceremonies, provide a Jewish education both to children and adults, provide nursery school facilities, organise a range of social, educational and cultural events and provide support within the community There has been no change in these during the year

The Charities Act 2011 requires all charities to meet the legal requirement that its aims are for the public benefit The Charity Commission in its Charities and Public Benefit guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit firstly, there must be an identifiable benefit or benefits and secondly, that the benefit must be to the public or a section of the public The Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Synagogue should undertake and consider that they have complied with Section 17 of the Charities Act 2011 and the guidance in respect of public benefit

The Synagogue conducts religious services on Friday evenings, Saturday mornings, Jewish festivals and High Holydays Some services are conducted jointly with other synagogues Access to our services is free and is open to members and visitors alike During the High Holydays access is open to all and non-members are welcome to purchase a ticket We provide free High Holyday tickets for young adults under 30 During the year we carried out a number of successful youth and children services where participants of all ages took an active role in prayer and readings

Members of the community were supported by the Rabbis in times of bereavement and by the voluntary Caring Committee which reaches out to members during illness or personal difficulties This group is made up of dedicated volunteers within our own community

The Synagogue has a religion school for children from Reception age up to year 12 The religion school meets on Sunday mornings and is currently supported by Laura Rolfe the head of Education and Laurence Stein, the head of educational events and services alongside Deborah Bright, the school administrator Our GCSE class, led by Rabbi Steven Katz, meets on Sunday mornings catering for children post bar/batmitzvah (year 8) The Bar/Bat Mitzvah class is held each Saturday prior to the start of the morning service In addition to formal classes we have appointed a youth worker to engage with children of all ages by arranging social activities, outings and parties

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

Our nursery school continues to build in popularity and numbers with an ever increasing waiting list due to the high level of praise obtained by Ofsted inspections and parents alike. The dedicated staff follow the "early years" curriculum and Jewish programmes to provide the very best educational and social foundations for children up to pre reception age.

Adult Education is one of our major offerings to community members and visitors alike. Torah Breakfasts are held at least once a month before the Saturday morning service. We have an adult education programme on Sunday mornings, which includes the provision of Hebrew classes (beginners and intermediate) and a series of lectures on religious, cultural, political and social affairs. Access to all our classes is free to members and visitors.

The Council would like to thank the many volunteers who throughout the year have freely given their time to assist the Synagogue.

Report from Rabbi Steven Katz BA (Hons)

The appointment of a youth leader, brilliantly led family services, the early introduction of Shabbat welcome services for tiny tots all indicate a renewed emphasis on attracting to our shul children and their parents.

Yet our Caring Group embraces more carers and cares for more congregants than ever. The sources of these activities should reassure all that we seek to meet the needs and expand the spiritual and social horizons of all who belong to Hendon Reform Synagogue.

We would love to attract more helpers and we also welcome new ideas because our continuing ambition is "ma-alin bakodesh" - is constantly to rise in holiness, to become better Jews.

Report of the Chairman, Mr A H Owen

My four year term as Chairman has been turbulent to say the least. An experience that has made me aware of many more things and which in turn has hopefully helped our Synagogue in certain ways. We are entering a time of change in our community and for better or worse we have to move forward and I know you will all have your own opinions on this. I could not have done so much without the help and support of the Honorary Officers and Council, our Rabbi, synagogue staff and volunteers and would like to take the opportunity of thanking them for their valued support.

This year at Hendon Reform we have hosted 10 Bar/Bat Mitzvot, 9 Weddings and 3 Aufruf's. The Kingsley Fisher Hall has been used for Art and Keep Fit classes, Pilates and Zumba dancing, JACS, The League of Jewish Women, The Association of Jewish Refugee's, FZY and BBYO meetings. The hall has also been used for functions including a successful quiz night for the Synagogue. These have brought people into our Synagogue and in most cases added revenue.

Our Chedar (now re named Keshet) has been reformed. Valerie Boyd-Hellner Head of Education retired and her place taken by synagogue members Laura Rolfe and Laurence Stein. Valerie continues to help as a consultant and Natalie Berman has joined us as a Youth Worker to help stimulate the younger members of our community. A big thank you also to Julie Tucker who has worked incredibly hard to try and vitalise Keshet and introduce new ideas with her team's help and support.

Our Nursery School goes from strength to strength and not only is it highly praised but continues to have a waiting list for youngsters to join. Our thanks to Nursery Manager Alison Mazin and her staff for maintaining the high standards that they continually strive to achieve.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

For the last several years our Services Committee has been chaired by Laurence Permutt who retired from his post in December 2012. Stewart Abbey took over this position and I would like to thank Laurence for his years of service and Stewart who will I am sure, do a remarkable job ensuring that everything needed to do with services runs smoothly. I would also like to thank the services committee who support the chair in ensuring this happens. We added a Family Service to our High Holy Day's options on Yom Kippur this year which was a great success. Thank you to all involved.

Our Chavurah is now bi monthly and follows the Saturday Shabbat service and gives members the chance to stay on and chat to friends and family over lunch. The Communal Seder this year was again a huge success with over 90 people attending. Our Chanukah Bazaar again raised over £1,300 for Synagogue funds and was a great social gathering. Our Caring Committee continues to help members of our community in times of need and is a very important part of our Synagogue life. We thank them for their time and diligence with members needing help and support and for all others who helped with any of the above communal events.

Sh'ma continues to keep our far flung members aware of people and events at Hendon Reform Synagogue and a thank you to Diana Gosen and Larry Ross joint Editors and their editing team and to members of our Welcome Desk who strive to arrive early, come rain, snow or shine on Shabbat mornings to welcome members and guests to the synagogue so admirably.

It would be remiss of me not to touch on the difficulties we as a Synagogue have been through this last year and would like to thank The Strategy Group for the time and effort they put into their report concerning our Synagogue and its management. Many things have come out of this, not least of all that we as a community cannot stand still and need to move forward in so many ways. Our thanks also to the team at The Movement for Reform Judaism who have helped and supported us as a Synagogue and to Pam Goldsmith who has always been there to guide and help me with queries and answers.

I wish Philip Bright, our next Chair well and will always be available if advice or gained experience is required.

Financial review

There is a finance subcommittee which sets an annual budget and monitors performance against budget. There is also an investment subcommittee which meets the firm's independent financial advisors, The Roberts Partnership, who manage the Synagogue's investments.

It is the policy of the Synagogue that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Synagogue's current activities while consideration is given to ways in which additional funds may be raised. The free reserves at the period end were £271,023 which is in line with the target set.

The difficult economic climate continues to have an impact on the Synagogue's finances and unfortunately there were redundancies made during the year. Membership subscriptions received comprised the Synagogue's principal source of funding. Expenditure continues to be incurred mainly on the day to day running of the Synagogue and its services. The Synagogue's payment to the Movement for Reform Judaism, normally 17 1/2% of its subscription income, was reduced to help stem the deficit.

The Synagogue also runs a nursery school which is funded wholly by fees charged to pupils.

The Statement of Financial Activities on page 10 discloses the Trust's net movement in funds for the year of £3,894 which results in an increase total funds at the balance sheet date to £1,726,058.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

The aim of the investment portfolio is to achieve medium to longer term growth whilst providing income. This is achieved by investing into a balanced portfolio of funds that allow for diversification across all the major asset classes and across reputable investment houses.

The value of the investments increased from £697,073 to £755,704 and this was in line with current market conditions.

Investment income amounted to £18,135.

Auditors

Gerald Edelman were appointed auditors to the company, a resolution proposing that they be re-appointed will be put to the members at the Annual General Meeting.

On behalf of the Council



Mr A H Owen (Chairman)

Dated 11 July 2013

HENDON REFORM SYNAGOGUE

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council, who are also the directors of Hendon Reform Synagogue for the purpose of company law, is responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Synagogue 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 Council is 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Synagogue will continue in operation

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

In so far as the trustees are aware

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the Synagogue's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITORS' REPORT

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

We have audited the accounts of Hendon Reform Synagogue for the year ended 28 February 2013 which comprise the statement of financial activities, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditors

As explained more fully in the statement of Council Members' responsibilities, the Council, who are also the directors of Hendon Reform Synagogue for the purposes of company law, are responsible for the preparation of the accounts which give a true and fair view.

The Council have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Council, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Council Members' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2013 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

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- the information given in the Council Members Annual Report is inconsistent in any material respect with the financial statements,
- sufficient accounting records have not been kept,
- the accounts are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



Gerald Edelman

Chartered Accountants

Statutory Auditor

1238 High Road

Whetstone

London

N20 0LH

Dated 11 July 2013

Gerald Edelman is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HENDON REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2013

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|--|-------|-------------------------|-----------------------|--------------------|--------------------|
| Incoming resources from generated funds | | | | | |
| Donations and legacies | 2 | 560,723 | 32,318 | 593,041 | 607,349 |
| Activities for generating funds | 3 | 31,255 | - | 31,255 | 33,167 |
| Investment income | 4 | 18,035 | 100 | 18,135 | 11,519 |
| | | <u>610,013</u> | <u>32,418</u> | <u>642,431</u> | <u>652,035</u> |
| Incoming resources from charitable activities | 5 | 228,617 | - | 228,617 | 220,305 |
| Total incoming resources | | <u>838,630</u> | <u>32,418</u> | <u>871,048</u> | <u>872,340</u> |
| Resources expended | | | | | |
| Costs of generating funds | | | | | |
| Support costs | | 87,858 | - | 87,858 | 86,120 |
| Fundraising costs and publicity | | 14,234 | - | 14,234 | 16,255 |
| Investment management costs | | 1,278 | - | 1,278 | 951 |
| | | <u>103,370</u> | <u>-</u> | <u>103,370</u> | <u>103,326</u> |
| Net incoming resources available | | <u>735,260</u> | <u>32,418</u> | <u>767,678</u> | <u>769,014</u> |
| Charitable activities | | | | | |
| Services and festivals | | 316,497 | 18,778 | 335,275 | 374,030 |
| Education | | 240,691 | 679 | 241,370 | 251,509 |
| Community support | | 22,292 | - | 22,292 | 26,381 |
| Funeral and cemetery | | 106,699 | 12,121 | 118,820 | 115,934 |
| Total charitable expenditure | | <u>686,179</u> | <u>31,578</u> | <u>717,757</u> | <u>767,854</u> |
| Governance costs | | 48,964 | 5,000 | 53,964 | 38,386 |
| Other resources expended | | 33,768 | - | 33,768 | 32,832 |
| Total resources expended | | <u>872,281</u> | <u>36,578</u> | <u>908,859</u> | <u>942,398</u> |
| Net outgoing resources | | <u>(33,651)</u> | <u>(4,160)</u> | <u>(37,811)</u> | <u>(70,058)</u> |
| Other recognised gains and losses | | | | | |
| Gains/(losses) on investment assets | | 41,705 | - | 41,705 | (12,376) |
| Net movement in funds | | <u>8,054</u> | <u>(4,160)</u> | <u>3,894</u> | <u>(82,434)</u> |
| Fund balances at 1 March 2012 | | 1,407,122 | 315,042 | 1,722,164 | 1,804,598 |
| Fund balances at 28 February 2013 | | <u>1,415,176</u> | <u>310,882</u> | <u>1,726,058</u> | <u>1,722,164</u> |

HENDON REFORM SYNAGOGUE

BALANCE SHEET

AS AT 28 FEBRUARY 2013

| | Notes | 2013 | | 2012 | |
|---|-------|------------------|---|------------------|---|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 13 | 475,384 | | 500,404 | |
| Tangible assets | 14 | 446,991 | | 472,612 | |
| Investments | 15 | 755,704 | | 697,073 | |
| | | <u>1,678,079</u> | | <u>1,670,089</u> | |
| Current assets | | | | | |
| Debtors | 16 | 53,410 | | 61,135 | |
| Cash at bank and in hand | | 110,262 | | 84,186 | |
| | | <u>163,672</u> | | <u>145,321</u> | |
| Creditors, amounts falling due within one year | 17 | <u>(115,693)</u> | | <u>(93,246)</u> | |
| Net current assets | | <u>47,979</u> | | <u>52,075</u> | |
| Total assets less current liabilities | | <u>1,726,058</u> | | <u>1,722,164</u> | |
| Income funds | | | | | |
| Restricted funds | 20 | 310,882 | | 315,042 | |
| Unrestricted funds | | | | | |
| Designated funds | 21 | 400,000 | | 400,000 | |
| Other charitable funds | | | | | |
| Unrestricted income funds | | <u>1,015,176</u> | | <u>1,007,122</u> | |
| | | <u>1,015,176</u> | | <u>1,007,122</u> | |
| | | <u>1,726,058</u> | | <u>1,722,164</u> | |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2013, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Council on 11 July 2013

Mr A H Owen (Chairman)

Mr K R J Maddison

Company Registration No 07115198

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2013

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets

The Synagogue has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Synagogue

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" ("SORP"), issued in March 2005 and the Companies Act 2006

1.2 Incoming resources

Donations comprise amounts received during the year. Legacies are credited in the year in which they are receivable. The Council does not regard a legacy as receivable until it can be measured with reasonable certainty and probate has been granted in respect of the legatee's estate

Assets given for use by the Synagogue are recognised as incoming resources when receivable and are brought into the accounts at estimated cost

Subscriptions and other fees receivable are included on the basis of those due for the current year after making allowance for any amounts that are unlikely to be collected

Income tax recoverable has been included to the extent that it arises on subscriptions and other income received under gift aid in the year

Interest is accounted for on an accruals basis

1.3 Resources expended

Resources expended are accounted for on an accruals basis. The Synagogue is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure

Resources expended on generating voluntary income include the costs incurred by the Synagogue in generating membership subscriptions, voluntary income including donations and legacies, and on fundraising and other activities to raise funds

Resources expended on charitable activities comprise the resources applied by the Synagogue in meeting its charitable objectives. Such costs include the direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Staff costs have been allocated by the time spent and other costs by their usage

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

1 Accounting Policies (continued)

1.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are stated at original cost or where original cost is not ascertainable, at valuation at the date such assets were first capitalised

Freehold land and buildings, scrolls, silver and other religious artefacts are not depreciated because the depreciation charge is not considered material. Such assets are subject to an annual impairment review

Depreciation is provided on other assets at rates calculated to write off the cost less their estimated residual value over their estimated useful lives on the straight line basis as follows

| | |
|----------------------------|------------------------------------|
| Computer & other equipment | 25% and 20% respectively per annum |
| Plant and machinery | 7 1/2% per annum |
| Fixtures & fittings | 10% per annum |

1.5 Investments

Fixed asset investments are stated at market value. Gains and losses arising on revaluation or disposal of investments are included in the statement of financial activities under other recognised gains and losses

1.6 Pensions

Contributions to the Synagogue's defined contribution pension scheme are charged in the statement of financial activities for the year in which they are payable to the scheme

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council to further the general objects of the Synagogue and which have not been designated for other purposes

Designated funds are unrestricted funds consisting of amounts allocated by the Council for Synagogue purposes. The aim and use of each fund is set out in the notes to the accounts

Restricted funds comprise unexpended balances of donations held on trusts to be applied for specific purposes. Investment income and gains are allocated to the appropriate fund

1.8 Burial rights

Burial rights are included in intangible assets and written off over their expected useful life of 25 years

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

2 Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 560,723 | 32,318 | 593,041 | 603,349 |
| Legacies receivable | - | - | - | 4,000 |
| | <u>560,723</u> | <u>32,318</u> | <u>593,041</u> | <u>607,349</u> |
| Donations and gifts | | | | |
| Unrestricted funds | | | | |
| Membership subscriptions | | | 432,395 | 408,834 |
| Income tax recoverable on membership subscriptions | | | 85,212 | 91,482 |
| High Holyday Appeal | | | 24,437 | 16,300 |
| Other donations | | | 18,679 | 46,422 |
| | | | <u>560,723</u> | <u>563,038</u> |
| Restricted funds | | | | |
| Donations for Board of Deputies | | | 8,819 | 7,324 |
| Donations for general charitable purposes | | | 3,638 | 3,101 |
| UJIA | | | 2,204 | 346 |
| Jewish Blind and Disabled | | | 944 | 6,004 |
| HHD Appeal - Jewish Care | | | 3,738 | - |
| Donations for Exodus 2000 | | | 670 | - |
| Donations for MDA | | | 295 | - |
| Jack Petchey Award | | | 600 | 1,072 |
| Tree of Life | | | 1,875 | 4,511 |
| Nursery school physical development grant | | | - | 4,235 |
| Nursery school donations | | | - | 1,800 |
| Nursery school grant special education | | | 2,960 | 1,680 |
| Youth activities | | | 1,575 | 10,238 |
| Computer software and associated professional fees | | | 5,000 | - |
| | | | <u>32,318</u> | <u>40,311</u> |

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

3 Activities for generating funds

| | 2013 £ | 2012 £ |
|--------------------|---------------|---------------|
| Unrestricted funds | | |
| Use of hall | 11,609 | 13,615 |
| Fundraising | 16,119 | 17,255 |
| Synagogue magazine | 3,527 | 2,297 |
| | <u>31,255</u> | <u>33,167</u> |

4 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Income from listed investments | 17,940 | - | 17,940 | 10,664 |
| Interest receivable | 95 | 100 | 195 | 855 |
| | <u>18,035</u> | <u>100</u> | <u>18,135</u> | <u>11,519</u> |

5 Incoming resources from charitable activities

| | 2013 £ | 2012 £ |
|------------------------|----------------|----------------|
| Nursery school | 146,196 | 128,920 |
| Education | 6,489 | 5,375 |
| Funeral and cemetery | 51,561 | 59,459 |
| Services and festivals | 24,371 | 26,551 |
| | <u>228,617</u> | <u>220,305</u> |

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

6 Total resources expended

| | Staff costs £ | Depreciation £ | Other costs £ | Grant funding £ | Total 2013 £ | Total 2012 £ |
|----------------------------------|------------------|-------------------|------------------|--------------------|-----------------|-----------------|
| Costs of generating funds | | | | | | |
| Support costs | 65,449 | 1,468 | 20,941 | - | 87,858 | 86,120 |
| Fundraising costs and publicity | - | - | 14,234 | - | 14,234 | 16,255 |
| Investment management costs | - | - | 1,278 | - | 1,278 | 951 |
| Total | 65,449 | 1,468 | 36,453 | - | 103,370 | 103,326 |
| Charitable activities | | | | | | |
| <u>Services and festivals</u> | | | | | | |
| Activities undertaken directly | 180,815 | 1,115 | 15,076 | - | 197,006 | 216,110 |
| Grant funding of activities | - | - | - | 15,652 | 15,652 | 12,828 |
| Support costs | 44,997 | 12,519 | 65,101 | - | 122,617 | 145,092 |
| Total | 225,812 | 13,634 | 80,177 | 15,652 | 335,275 | 374,030 |
| <u>Education</u> | | | | | | |
| Activities undertaken directly | 157,114 | 679 | 16,697 | - | 174,490 | 172,367 |
| Support costs | 24,543 | 6,828 | 35,509 | - | 66,880 | 79,142 |
| Total | 181,657 | 7,507 | 52,206 | - | 241,370 | 251,509 |
| <u>Community support</u> | | | | | | |
| Support costs | 8,181 | 2,276 | 11,835 | - | 22,292 | 26,381 |
| <u>Funeral and cemetery</u> | | | | | | |
| Activities undertaken directly | - | 25,020 | 82,652 | - | 107,672 | 102,744 |
| Support costs | 4,091 | 1,138 | 5,919 | - | 11,148 | 13,190 |
| Total | 4,091 | 26,158 | 88,571 | - | 118,820 | 115,934 |
| | 419,741 | 49,575 | 232,789 | 15,652 | 717,757 | 767,854 |
| Governance costs | 16,362 | 245 | 37,357 | - | 53,964 | 38,386 |
| Other resources expended | - | - | 33,768 | - | 33,768 | 32,832 |
| | 501,552 | 51,288 | 340,367 | 15,652 | 908,859 | 942,398 |

Other resources expended comprise pension and accommodation costs incurred in respect of the late Rabbi's wife

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

7 Activities undertaken directly

| | 2013 £ | 2012 £ |
|---|---------------|---------------|
| Other costs relating to services and festivals comprise | | |
| Direct services costs | 14,397 | 16,374 |
| Other services costs payable from restricted fund | 679 | 921 |
| | <u>15,076</u> | <u>17,295</u> |
| | | |
| Other costs relating to education comprise | | |
| Religion school educational materials and other costs | 808 | 2,005 |
| Nursery school educational materials and other costs | 7,133 | 11,282 |
| Nurse school security | 8,756 | - |
| | <u>16,697</u> | <u>13,287</u> |
| | | |
| Other costs relating to funeral and cemetery comprise | | |
| Undertaker's fees | 25,023 | 26,544 |
| Contributions to members' funerals | 15,731 | 20,252 |
| Cemetery repairs and service charges | 35,303 | 21,162 |
| Other funeral and cemetery costs | 4,899 | 5,291 |
| Cemetery costs payable from restricted fund | 1,696 | 4,475 |
| | <u>82,652</u> | <u>77,724</u> |

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

8 Grants payable

| | Total 2013 £ | Total 2012 £ |
|---------------------------------------|--------------------|--------------------|
| Grants to institutions (14 grants) | | |
| The Board of Deputies of British Jews | 4,638 | 7,151 |
| Jewish Care | 1,500 | - |
| Jewish Blind and Disabled | 1,000 | 5,515 |
| Magen David Adom | 1,025 | 162 |
| All other under £1,000 | 7,489 | - |
| | <u>15,652</u> | <u>12,828</u> |

The Board of Deputies of British Jews is a national representative body of the Jewish community, and is the chief voice of British Jewry, Jewish Blind and Disabled is a charity which provides sheltered living housing for visually and physically disabled people, Jewish Care provides care and support to the Jewish Community in London and the South East and Magen David Adom is Israel's emergency response service. In addition, donations were made to other charities including The Mayor of Barnet Appeal, The Karen Morris Memorial Trust, North London Hospice, Chai Cancer Care and Leo Baeck College

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

9 Support costs

| | Services and festivals £ | Education £ | Community support £ | Funeral and cemetery £ | Carried forward £ |
|--------------------------------|-----------------------------|----------------|------------------------|---------------------------|----------------------|
| Premises costs | 34,383 | 18,754 | 6,251 | 3,126 | 62,514 |
| Administration and other costs | 4,868 | 2,655 | 884 | 443 | 8,850 |
| Staff costs | 44,997 | 24,543 | 8,181 | 4,091 | 81,812 |
| Depreciation | 12,519 | 6,828 | 2,276 | 1,138 | 22,761 |
| MRJ affiliation fee | 25,850 | 14,100 | 4,700 | 2,350 | 47,000 |
| | 122,617 | 66,880 | 22,292 | 11,148 | 222,937 |

| | Brought forward £ | Activities for generating funds £ | Governance costs £ | Total 2013 £ | Total 2012 £ |
|--------------------------------|----------------------|--------------------------------------|-----------------------|-----------------|-----------------|
| Premises costs | 62,514 | 8,700 | - | 71,214 | 66,541 |
| Administration and other costs | 8,850 | 12,241 | 4,807 | 25,898 | 25,760 |
| Staff costs | 81,812 | 65,449 | 16,362 | 163,623 | 158,974 |
| Depreciation | 22,761 | 1,468 | 245 | 24,474 | 28,655 |
| MRJ affiliation fee | 47,000 | - | - | 47,000 | 87,619 |
| | 222,937 | 87,858 | 21,414 | 332,209 | 367,549 |

10 Governance costs

| | 2013 £ | 2012 £ |
|-------------------------------------|---------------|---------------|
| Other governance costs comprise | | |
| Council members indemnity insurance | 636 | 536 |
| Legal and professional fees | 12,442 | 8,490 |
| Auditor's remuneration | 19,473 | 11,736 |
| Other administrative support costs | 4,806 | 1,439 |
| | 37,357 | 22,201 |

Governance costs includes payments to the auditors of £12,273 for non audit services

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

11 Council

Mrs D Bright, the wife of a Council Member, Mr P Bright, is employed by the Synagogue in the religion school at normal rates and on normal terms Her salary was £12,638 (2012 - £11,795) No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the year

12 Employees

Number of employees

The average monthly number of employees during the year was

| | 2013 Number | 2012 Number |
|-------------------------------|----------------|----------------|
| Services | 2 | 3 |
| Nursery school | 3 | 3 |
| Education | 2 | 3 |
| Management and administration | 5 | 5 |
| | <u>12</u> | <u>14</u> |

Employment costs

| | 2013 £ | 2012 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 451,906 | 460,672 |
| Social security costs | 37,699 | 40,503 |
| Other pension costs | 11,947 | 13,986 |
| | <u>501,552</u> | <u>515,161</u> |

The number of employees whose annual remuneration was between £90,000 and £100,000 or more were

| | 2013 Number | 2012 Number |
|--------|----------------|----------------|
| Rabbis | <u>1</u> | <u>1</u> |

Contributions totalling £ 8,261 (2012 £8,100) were made to defined contribution pension schemes on behalf of 1 employee whose emoluments exceed £60,000

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

13 Intangible fixed assets

| | Burial rights £ |
|---|--------------------|
| Cost | |
| At 1 March 2012 and at 28 February 2013 | <u>681,437</u> |
| Amortisation | |
| At 1 March 2012 | 181,033 |
| Charge for year | 25,020 |
| At 28 February 2013 | <u>206,053</u> |
| Net book value | |
| At 28 February 2013 | <u>475,384</u> |
| At 29 February 2012 | <u>500,404</u> |

Burial rights held by the company's predecessor, Hendon Reform Synagogue, as at 29 February 2004 were transferred at valuation as at that date less accumulated depreciation. The value as at 29 February 2004 was the market value based on the expected purchase price of equivalent spaces. Burial rights acquired by the company's predecessor since 29 February 2004 were transferred at cost less accumulated depreciation on 1 March 2010.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

14 Tangible fixed assets

| | Land and buildings | Computer & other equipment | Plant and machinery | Fixtures & fittings | Scrolls, silver & other religious artefacts | Total |
|----------------------------|--------------------|----------------------------|---------------------|---------------------|---|----------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 1 March 2012 | 200,065 | 40,898 | 221,112 | 101,726 | 190,000 | 753,801 |
| Additions | - | 647 | - | - | - | 647 |
| At 28 February 2013 | 200,065 | 41,545 | 221,112 | 101,726 | 190,000 | 754,448 |
| Depreciation | | | | | | |
| At 1 March 2012 | - | 36,771 | 166,442 | 77,976 | - | 281,189 |
| Charge for the year | - | 1,976 | 16,393 | 7,899 | - | 26,268 |
| At 28 February 2013 | - | 38,747 | 182,835 | 85,875 | - | 307,457 |
| Net book value | | | | | | |
| At 28 February 2013 | 200,065 | 2,798 | 38,277 | 15,851 | 190,000 | 446,991 |
| At 29 February 2012 | 200,065 | 4,127 | 54,670 | 23,750 | 190,000 | 472,612 |

Tangible fixed assets have been transferred from the company's predecessors, Hendon Reform Synagogue, at cost or valuation less accumulated depreciation

Stained glass windows have been capitalised at estimated value to the Synagogue as at 28 February 2007 at £40,000, scrolls, silver and other religious artefacts have been capitalised at estimated value to the Synagogue as at 28 February 2007 at £190,000. The value of stained glass windows is included in freehold land and buildings

Freehold land and buildings have not been valued but their value for insurance purposes including stained glass windows is £4,000,000

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

15 Fixed asset investments

| | Quoted UK investments | Cash awaiting investment | Total |
|---|--------------------------|--------------------------------|----------------|
| | £ | £ | £ |
| Market value at 1 March 2012 | 683,439 | 13,634 | 697,073 |
| Disposals at book value | (13,457) | (13,634) | (27,091) |
| Acquisitions at cost | 27,791 | 15,475 | 43,266 |
| Change in value in the year | 42,456 | - | 42,456 |
| Market value at 28 February 2013 | 740,229 | 15,475 | 755,704 |
| Historical cost | | | |
| At 28 February 2013 | 708,364 | 15,475 | 723,839 |
| At 29 February 2012 | 695,815 | 13,634 | 709,449 |

Investments include £653,291 invested in low risk collective investment schemes and £55,073 invested in low risk companies quoted on the London Stock Exchange. The investments have been selected to provide a mixture of income and capital growth.

16 Debtors

| | 2013 | 2012 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Other debtors | 42,290 | 46,565 |
| Prepayments and accrued income | 11,120 | 14,570 |
| | 53,410 | 61,135 |

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

| 17 Creditors' amounts falling due within one year | 2013 | 2012 |
|--|----------------|---------------|
| | £ | £ |
| Other creditors | 47,479 | 12,458 |
| Accruals | 34,495 | 35,017 |
| Deferred income | 33,719 | 45,771 |
| | <u>115,693</u> | <u>93,246</u> |

In accordance with note 1 2 to the accounts income of £34,495 which comprises subscriptions, nursery school and othe fees received in advance has been deferred in the current year

All the income amounting to £45,771 deferred in the previous year has been released in the current year

18 Pension and other post-retirement benefit commitments **Defined contribution**

| | 2013 | 2012 |
|---|---------------|---------------|
| | £ | £ |
| Contributions payable by the company for the year | <u>11,947</u> | <u>13,986</u> |

19 Share capital

The charitable company is limited by guarantee and has no share capital. Each member guarantees to contribute £1 in the event of a winding up.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

20 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

| | Balance at 1 March 2012 | Movement in funds | | Balance at 28 February 2013 |
|--------------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------------------|
| | | Incoming resources | Resources expended | |
| | £ | £ | £ | £ |
| Specific Synagogue purposes | 257,750 | 12,010 | (20,926) | 248,834 |
| Appeal funds for charitable purposes | 57,292 | 20,408 | (15,652) | 62,048 |
| | <u>315,042</u> | <u>32,418</u> | <u>(36,578)</u> | <u>310,882</u> |

Funds held for specific Synagogue purposes represent donations received to be expended in accordance with donor's wishes

The fund for specific Synagogue purposes includes the balance of a donation of £300,000 from the Sydney Kingsley Trust made to the company's predecessors, Hendon Reform Synagogue, £250,000 of which was donated for the specific purpose of redeeming the bank loan taken out to enable the Synagogue to purchase burial rights at Edgwarebury Lane and so the proportionate amount of depreciation on such rights has been charged to the fund. The balance of the donation as at 28 February 2013 was £171,099

Appeal funds for specific charities represent funds raised by the High Holyday appeal and other appeals which have been or will be paid to charities

Other funds held for specific Synagogue purposes include a benevolent fund of £14,708 raised at the 60th Anniversary Celebrations, £9,595 for youth activities, grants and other donations received of £19,283 for educational purposes, a members support fund of £8,600, £17,568 donated for synagogue improvements and a fund of £5,969 to be used to provide an annual kiddush in accordance with the donor's wishes

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

21 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 28 February 2013 £ |
|-----------------|------------------------------|-------------------------|-------------------------|----------------------------------|
| | Balance at 1 March 2012 £ | Incoming resources £ | Resources expended £ | |
| Designated fund | 400,000 | - | - | 400,000 |
| | <u>400,000</u> | <u>-</u> | <u>-</u> | <u>400,000</u> |

The designated fund is for the purpose of providing income to meet the commitment explained in note 23

22 Analysis of net assets between funds

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total £ |
|--|-------------------------|-----------------------|-----------------------|------------------|
| Fund balances at 28 February 2013 are represented by | | | | |
| Intangible fixed assets | 304,285 | - | 171,099 | 475,384 |
| Tangible fixed assets | 439,868 | - | 7,123 | 446,991 |
| Investments | 355,704 | 400,000 | - | 755,704 |
| Current assets | 31,012 | - | 132,660 | 163,672 |
| Creditors amounts falling due within one year | (115,693) | - | - | (115,693) |
| | <u>1,015,176</u> | <u>400,000</u> | <u>310,882</u> | <u>1,726,058</u> |
| Unrealised gains included above | | | | |
| On investments | 42,456 | - | - | 42,456 |
| | <u>42,456</u> | <u>-</u> | <u>-</u> | <u>42,456</u> |
| Reconciliation of movements in unrealised gains | | | | |
| Net gains on revaluations in year | 42,456 | - | - | 42,456 |
| Unrealised gains at 28 February 2013 | <u>42,456</u> | <u>-</u> | <u>-</u> | <u>42,456</u> |

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2013

23 Commitments

In 1971 the Company's predecessors, Hendon Reform Synagogue, made a legally binding commitment to provide a pension and accommodation to the wife of the late Rabbi. At the balance sheet date this commitment amounted to £32,600 and is index linked. In previous years she resided rent free in a house owned by the Synagogue which was sold in the year ended 28 February 2011.