

**Registered Charity Number: 236663**

**Report of the Trustees and Financial Statements**

**For The Year Ended 31 December 2017**

**South West Essex & Settlement Reform Synagogue**

**South West Essex & Settlement Reform Synagogue**

**Contents of the Financial Statements  
For The Year Ended 31 December 2017**

Report of the Trustees	Pages 1 to 4
Report of the Independent Auditors	Page 5
Statement of Financial Activities	Page 6
Statement of Financial Position	Page 7 to 8
Notes to the Financial Statements	Pages 9 to 17

**South West Essex & Settlement Reform Synagogue**  
**Report of the Trustees**  
**For The Year Ended 31 December 2017**

The trustees present their report with the financial statements of the Charity for the year ended 31 December 2017. The trustees have adopted the provisions of the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity No 236663**

**Principal Address**

Oaks Lane  
 Ilford  
 Essex  
 IG2 7PL

Website address: [www.swesrs.org.uk](http://www.swesrs.org.uk)

**Trustees**

The permanent trustees are Mr L Gilbert, Mrs R Cann and Mrs J Mortlock. The permanent trustees have the power to vest property on behalf of the synagogue and are the only trustees who can, for example, sign leases with tenants on behalf of SWESRS.

The trustees and council members during the year, who changed at the Annual General Meeting on 13 July 2017 are listed below:

**Up to the Annual General Meeting**

Mr P Gersh	President
Mrs E Dalton	Hon. Life Vice-President
Mr L Gilbert	Hon. Life Vice-President
Mr M Maran	Hon. Life Vice-President
Mrs L Harris	Hon. Life Vice-President
Mrs F Brodie	Chairman (Died 17 March 2017)
Mr C Joseph	Vice Chairman
Mrs J Jacobs	Hon. Secretary
Mrs M Joseph	Asst. Hon. Secretary
Mrs J Turner	Hon. Treasurer
Mrs J Mortlock	Asst. Hon. Treasurer

**After the Annual General Meeting**

Mr P Gersh	President
Mrs E Dalton	Hon. Life Vice-President
Mr L Gilbert	Hon. Life Vice-President
Mr M Maran	Hon. Life Vice-President
Mrs L Harris	Hon. Life Vice-President
Mr C Joseph	Chairman
Mrs J Jacobs	Vice Chairman
Mrs J Laws	Hon. Secretary
Mrs M Joseph	Asst. Hon. Secretary
Mr J Mortlock	Hon. Treasurer

**Council:-**

Mr L Tobe  
 Mr J Bernstein  
 Mr A Fleischer  
 Mrs J Laws  
 Mr J Mathews

**Council:-**

Mr F Igielman	Mr H Smith
Mr L Gilbert	Mrs S Jackson (Resigned 10/04/18)
Mr G Latner	Mr L Cohen (Co opted 24/08/17)
Mr J Mathews	Mr M Green (Co opted 21/12/17 and resigned 23/03/18)
Mr A Fleischer	(Resigned 21/12/17)

No trustees received any remuneration during the year (2016 - nil).

**Auditors**

Prestons & Jacksons Partnership LLP  
 Chartered Accountants and Statutory Auditors  
 364-368 Cranbrook Road  
 Gants Hill  
 Ilford  
 Essex  
 IG2 6HY

**Bankers**

Lloyds Bank Plc  
 PO Box 1000  
 Barking Branch  
 BX1 1LT

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity operates as an unincorporated association under the constitution as amended on 16 June 2005.

**Recruitment and appointment of new Trustees**

The trustees and Council are elected on an annual basis at the annual general meeting, in accordance with the charity's constitution.

**South West Essex & Settlement Reform Synagogue  
Report of the Trustees  
For The Year Ended 31 December 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The charity is governed throughout the year by the trustees. Council meet on a monthly basis to approve all significant decisions. In addition the Honorary Treasurer heads the Finance Committee which meets on a regular basis to discuss the charity's performance and any other financial matters. The day to day running of the charity is carried out by an administration team, who are not Council members, but who report to the trustees. The Rabbi is principally responsible for the spiritual, religious, pastoral and educational needs of the membership. The trustees are responsible for the management of the Synagogue's finances and administrative functions within the Synagogue.

**Induction and training of new trustees**

The charity ensures that all trustees are directed to the extensive guidance available on the Charity Commission website in relation to the role of trustees and their responsibilities. Trustees are aware that it is their responsibility to keep abreast of developments in relation to the governance of charities. Regular training sessions are held for trustees and Council during the year, to ensure that all newly elected members are aware of their role, duties and responsibilities.

**Related parties**

The charity is affiliated to The Movement for Reform Judaism whose remit is the advancement of Reform Judaism within Great Britain. The charity is also a member of the Jewish Joint Burial Society.

The charity does not have any other material related parties.

**Remuneration Policy**

Council, at the annual budget meeting, set the pay and remuneration policy for all the charity's personnel. Reference is made to the prevailing rates of pay in similar, local charities and the guidelines published by the Movement for Reform Judaism.

**Risk management**

The current level of reserves stands at £3,069,995, which includes a revaluation reserve of £1,997,187, which was increased when the building was revalued to market value on 2 July 2018.

The estimated future cost of the burial of certain members is held in a separate fund. Other costs are met by regular payments to the Jewish Joint Burial Society.

At the year end the Special Burial fund showed reserves of £25,000.

There is also a Security Fund of £32,640 (2016 £36,996). This fund was donated anonymously by a member to improve the security of the synagogue buildings and site.

The trustees actively review the major risks which the charity faces on a regular basis, combined with an annual review of controls over key financial systems. The major risk being the maintenance of subscription income and/or alternative income streams. The trustees have examined other operational and business risks faced by the charity and confirm they have established systems to mitigate the significant risks.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Synagogue is governed by the Synagogue constitution, laws and Charities Act 2011. Its objective is to advance religion in accordance with the principles and practices of Reform Judaism by providing and maintaining a Synagogue for the purpose of public worship, advancing education in accordance with the principles and practices of Reform Judaism and for other charitable purposes as the Synagogue, through its Council, may from time to time determine.

The Synagogue continues to pursue the objectives of The Movement for Reform Judaism, and continues to be represented on the various inter-faith and social reforms organisations which have been set up in the Redbridge Community, as well as cooperating with the local Synagogues, Churches and Mosques on issues common to all and continues to develop social action and community care projects within its own membership.

**South West Essex & Settlement Reform Synagogue  
Report of the Trustees  
For The Year Ended 31 December 2017**

**Public Benefit**

Each year the trustees review the synagogue's objectives, to ensure they continue to reflect the synagogue's aims. In carrying out this review, the trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and in particular its supplementary public guidance on the advancement of religion for the public benefit.

**Review of activities during the year**

The synagogue continues to maintain a close association with St Francis Hospice – for which several of our members volunteer regularly in a variety of ways, including fundraising and providing chorister support for the hospice's choir. SWESRS also maintains an involvement with the Haven House Children's Hospice through donations and Emeritus Rabbi support. Local charities are always considered as part of the annual High Holy Day Appeal.

Each year SWESRS supports a local charity during its Harvest Appeal for food and toiletries, this year the charity selected was the Salvation Army. During 2017 the B'nei Mitzvah class collected food for the local Redbridge Food Bank in Ilford, as an active way to learn about mitzvot (good deeds) and carry out tzedakah (charity).

The synagogue hosts and provide facilities for the AHADA Bereavement Counselling Service which encompasses Empathy Counselling, for those affected by separation and divorce, as well as some of our members serving as trustees and Counsellors.

Our Adult Education classes are open to the whole community and participants include those seeking to convert to Judaism, who are especially supported, while others attend Hebrew and Jewish Study sessions at other local synagogues as part of the ECAMPS programme.

The synagogue hosted regular school visits, from our local junior and secondary schools and our Laity speak at schools on Judaism, participate in Holocaust Memorial Day events and related school events. Little Heath Special Needs School has a special relationship with SWESRS and regularly visited the synagogue for services and events as part of their RE programme. Building on the success of the special half day session in 2016, the Synagogue held four sessions over two days for local schools, to inform and educate pupils about the Holocaust, as part of the Holocaust Memorial Day events. Over 300 school children participated in this event, which included presentations from Holocaust survivors and local progressive rabbis.

The Synagogue provides a Tuesday lunch club with a weekly activity programme organised for the senior members of the community, including presentations by our Emeritus Rabbi and guest speakers, together with providing facilities for U3A, bridge clubs, and a table tennis club. Our social events and fundraisers, such as Quiz Nights, etc are open to the wider community.

Members, trustees and the rabbi attended and presented at a Scriptural Reasoning group every second month. The group is made up of members of SWESRS, a local church, St John's, and a local Muslim study group. This has been a wonderful opportunity for local community building and interfaith relationship strengthening.

SWESRS also has a relationship with St Peter's Church on Oaks Lane and maintains the grave of a Jewish airman who is buried in the Church cemetery.

**Financial Review**

The trustees consider the performance of the charity this year to have been worse than expected even allowing for the large expenditure on renewing part of the roof of the Administration Building and the renewal of the car park. The trustees continue to be very pleased by the financial generosity and support shown by the community, in response to various fundraising appeals.

The liquid cash reserves at 2 months are considered adequate to support the continuation of the charity in the medium term. The charity has continual income in the form of annual subscription fees.

Donations by all sections of the community, together with fund raising activities have helped to boost income and in particular have funded the renewal of part of the roof of the Administration building and have contributed to the renewal of the car park. In addition day to day costs continue to be regularly monitored and reviewed, to ensure that they remain competitive and provide best value for member services. Costs will continue to be monitored closely in 2018 and beyond.

The trustees will also look for opportunities to increase both membership and non membership income.

The trustees report that adult membership stands at 1,079 at the year end. The charity will continue to focus on increasing the membership as the most effective means of maintaining the synagogue and its activities, but at the same time will look for additional and alternative income streams.

**South West Essex & Settlement Reform Synagogue**  
**Report of the Trustees**  
**For The Year Ended 31 December 2017**

The Statement of Financial Activities (page 6) shows a net deficit for the year of £15,430 after charging depreciation of £7,105. This comprises an unrestricted fund surplus of £6,055 and a deficit of £21,485 on restricted funds.

Donations, fund raising and reduced costs have all helped to ensure that the bank balance has remained positive, throughout 2017. This in turn has led to £NIL bank overdraft interest charges.

**Tangible fixed assets for use by the Charity**

Details of movements in fixed assets are set out in Note 12 to the accounts. In 2008 the trustees agreed to adopt a new accounting policy, which necessitated a professional revaluation of land and buildings as they are no longer being depreciated. The land and buildings are now being shown at a replacement cost value in the Statement of Financial Position and will be reviewed regularly.

**Reserve Policy**

Restricted Funds have been created to provide for known specific future costs. Over the past 9 years Council have undertaken a major refurbishment programme of the Prayer Hall and community buildings on the synagogue site. This programme continued in 2017 with the renewal of the Function Hall extension roof of the Administration Building and the upgrade of the car park, together with the renewal of pathways and external lighting. The major refurbishment programme is now complete and will provide long term benefit for the members and the community groups that use the site.

**Plans for future periods**

Trustees have started a strategic review in light of the continuing changing demographics locally and the changing attitudes of the Jewish community regarding Synagogue membership. Trustees are, therefore, delighted to welcome New Essex Masorti Synagogue to Oaks Lane, where they will share our premises and hold "Masorti" services. Ongoing dialogue will continue to take place with other local progressive synagogues. The charity will continue to look for new ways of improving its financial situation by seeking new tenants to replace Norwood, increasing its membership, fundraising and seeking donations, whilst continuing to ensure that costs are minimised, maximising use of internal resources, and ensuring stricter controls on arrears.

**RESPONSIBILITIES OF TRUSTEES**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

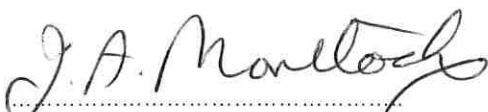
- a. Select suitable accounting policies and apply them consistently;
- b. observe the methods and principles in the Charities SORP;
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- e. prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware :

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**ON BEHALF OF THE BOARD OF TRUSTEES**

  
 J Mortlock - Honorary Treasurer

Date: 19/7/18

## **Independent Auditor's Report to the Members of South West Essex & Settlement Reform Synagogue**

### **Independent Auditor's Report to the Members of South West Essex & Settlement Reform Synagogue**

#### **Opinion**

We have audited the financial statements of South West Essex & Settlement Reform Synagogue (the 'charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities and the Statement of Financial Position and notes to the financial statements, 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).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and with 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's 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.

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

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

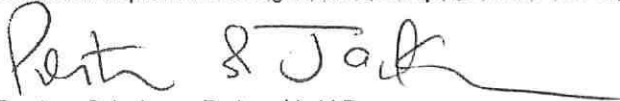
**Independent Auditor's Report to the Members  
of South West Essex & Settlement Reform Synagogue**

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

**Auditor's responsibilities for the audit of the financial statements**

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



Prestons & Jacksons Partnership LLP  
Statutory Auditor  
364-368 Cranbrook Road  
Gants Hill  
Ilford  
Essex  
IG2 6HY

Date: 23/7/18

Prestons & Jacksons Partnership LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



**South West Essex & Settlement Reform Synagogue  
Statement of Financial Activities  
For The Year Ended 31 December 2017**

		Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
<b>INCOME FROM:</b>					
Donations and legacies	Notes 2	324,975	17,413	342,388	364,293
Other charitable activities	3	4,225	-	4,225	6,026
Investments	4	118	-	118	1,021
Income from charitable activities		46,422	-	46,422	44,937
<b>Total income</b>		<u>375,740</u>	<u>17,413</u>	<u>393,153</u>	<u>416,277</u>
<b>EXPENDITURE ON:</b>					
Raising funds	5	298,570	11,640	310,210	305,730
Charitable activities	6	98,373	-	98,373	93,994
<b>Total resources expended</b>		<u>396,943</u>	<u>11,640</u>	<u>408,583</u>	<u>399,724</u>
<b>NET (EXPENDITURE)/INCOME</b>		(21,203)	5,773	(15,430)	16,553
Revaluation gain on freehold property		248,475		248,475	
Transfers between funds		27,258	(27,258)	-	-
<b>NET MOVEMENT IN FUNDS</b>		254,530	(21,485)	233,045	16,553
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>2,691,019</u>	<u>145,931</u>	<u>2,836,950</u>	<u>2,820,397</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,945,549</u>	<u>124,446</u>	<u>3,069,995</u>	<u>2,836,950</u>

**COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

		Unrestricted Funds £	Restricted Funds £	2016 Total Funds £
<b>INCOME FROM:</b>				
Donations and legacies	Notes 2	328,926	35,367	364,293
Other trading activities	3	6,026	-	6,026
Investments	4	1,021	-	1,021
Income from charitable activities		44,937	-	44,937
<b>Total income</b>		<u>380,910</u>	<u>35,367</u>	<u>416,277</u>
<b>EXPENDITURE ON:</b>				
Raising funds	5	284,776	20,954	305,730
Charitable activities	6	93,994	-	93,994
<b>Total resources expended</b>		<u>378,770</u>	<u>20,954</u>	<u>399,724</u>
<b>NET INCOME</b>		2,140	14,413	16,553
Transfers between funds		10,709	(10,709)	-
<b>NET MOVEMENT IN FUNDS</b>		12,849	3,704	16,553
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>		<u>2,678,170</u>	<u>142,227</u>	<u>2,820,397</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,691,019</u>	<u>145,931</u>	<u>2,836,950</u>

The notes on the following pages form part of these financial statements

South West Essex & Settlement Reform Synagogue  
Statement of Financial Position  
As at 31 December 2017


	Notes	Unrestricted funds £	Restricted funds £	2017 Total Fund £	2016 Total Fund £
<b>FIXED ASSETS</b>					
Tangible assets	12	2,910,854	31,667	2,942,521	2,700,566
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	13	49,405	-	49,405	80,285
Cash at bank and in hand		61,313	92,779	154,092	142,550
		<u>110,718</u>	<u>92,779</u>	<u>203,497</u>	<u>222,835</u>
<b>CREDITORS</b>					
Amounts falling due within one year	14	(43,318)		(43,318)	(44,668)
<b>NET CURRENT ASSETS</b>					
		<u>67,400</u>	<u>92,779</u>	<u>160,179</u>	<u>178,167</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		2,978,254	124,446	3,102,700	2,878,733
<b>CREDITORS</b>					
Amounts falling due after more than one year	15	(32,705)	-	(32,705)	(41,783)
<b>NET ASSETS</b>					
		<u>2,945,549</u>	<u>124,446</u>	<u>3,069,995</u>	<u>2,836,950</u>


The notes on the following pages form part of these financial statements

South West Essex & Settlement Reform Synagogue  
Statement of Financial Position - continued  
As at 31 December 2017

	Notes	2017 Total Funds £	2016 Total Funds £
<b>FUNDS</b>	<b>18</b>		
Unrestricted funds:			
Revaluation reserve		1,997,187	1,748,712
General fund		947,362	941,307
Legacies and bequests		1,000	1,000
		<hr/>	<hr/>
		2,945,549	2,691,019
<b>Restricted funds:</b>			
Harry Jassby Grave Fund		158	108
Special burial fund		25,000	25,000
Charitable trust fund		417	417
Tuesday club fund		1,357	1,357
Blumenthal prize fund		490	490
Krasnador fund		245	245
B'nei Torah scheme		7,160	7,160
Education and youth		722	722
High Holy Day Appeal		7,847	3,609
Defibrillator fund		200	-
Israel Action Group		625	625
Building Fund		2,240	2,215
Community and Youth		4,510	4,510
Jack Petchey Award Scheme		6,453	5,703
Security fund		32,640	36,996
New 60th Anniversary Torah Scroll		22,560	23,520
Sefer Torah repair fund		5,596	5,596
Car park fund		-	27,158
Hand rails - Prayer Hall		6,226	500
		<hr/>	<hr/>
		124,446	145,931
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		<b>3,069,995</b>	<b>2,836,950</b>

The financial statements were approved by the Board of Trustees on 19/7/18 and were signed on its behalf by:-

  
C Joseph - Chairman

  
J Mortlock - Honorary Treasurer

**South West Essex & Settlement Reform Synagogue**  
**Notes to The Financial Statements**  
**For The Year Ended 31 December 2017**

**1. ACCOUNTING POLICIES**

**Basis of preparation of accounts**

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice of the Charity, which is a public benefit entity under FRS102, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015), with FRS102 and with the requirements of the Charities Act 2011. The financial statements have been prepared under the historical cost convention (except as modified for land and buildings).

**Donations and legacies**

Donations and legacies are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Subscription income represents members subscriptions net of amounts written off, as a result of members erased, in accordance with the synagogue's constitution. Subscriptions are stated on a receivable basis.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland": The requirements of Section 7 Statement of Cash Flows.

**Direct charitable expenditure and support costs**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Religious books are written off in the year of purchase.

**Religious artefacts**

The synagogue has a number of religious artefacts which are shown as religious appurtenances in note 12, fixed assets at residual value. The insurance value of these religious artefacts are reviewed annually.

**Tangible fixed assets**

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

Freehold property and land	Not depreciated
Fixtures, fittings & computer equipment	20% on reducing balance
Religious appurtenances	Nil, 20% and 2% on cost
Security fencing and lighting	10% on cost
Website	20% on cost

Tangible fixed assets are capitalised at cost or revaluation basis less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

**Unrealised gains/(losses)**

Unrealised gains/(losses) are charged to the revaluation reserve in the Statement of Financial Position designated as unrestricted funds.

**Taxation**

The charity is exempt from tax on its charitable and fundraising activities.

**Value added tax**

Value added tax is not recoverable by the Synagogue and as such is included in the relevant costs in these financial statements.

**Operating leases**

Rentals payable under operating leases are charged against income on a straight line basis over the term of the lease.

**Pension costs**

SWESRS contribute to the NEST Work Based Pension Scheme for its employees (defined contribution scheme). The annual contributions payable are charged to the Statement of Financial Activities. SWESRS has no potential liability, other than for the payment of those contributions.

**Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in note 18 to the financial statements.

**South West Essex & Settlement Reform Synagogue**  
**Notes to The Financial Statements - continued**  
**For The Year Ended 31 December 2017**

**2. DONATIONS AND LEGACIES**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Donations (General and restricted)	22,366	41,412
Gift Aid claimed	44,742	45,365
Subscriptions	275,280	277,516
	<hr/>	<hr/>
	<b>342,388</b>	<b>364,293</b>
	<hr/> <hr/>	<hr/> <hr/>

**3. OTHER CHARITABLE ACTIVITIES**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Fundraising - income	6,703	8,499
Fundraising - expenses	(2,478)	(2,473)
	<hr/>	<hr/>
	<b>4,225</b>	<b>6,026</b>
	<hr/> <hr/>	<hr/> <hr/>

**4. INVESTMENTS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank interest received	118	1,021
	<hr/>	<hr/>

**5. RAISING FUNDS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Premises upkeep	121,832	116,009
Office costs	16,091	15,713
Finance costs	2,762	3,112
Donations to charities and inter faith work	572	55
Affiliation fees - MRJ	44,783	45,084
Burial costs - JJBS	52,656	52,681
Office staff costs	49,050	44,254
Depreciation	1,789	2,028
Sundry costs	1,294	2,440
Governance costs (see note 8)	7,741	3,400
	<hr/>	<hr/>
	<b>298,570</b>	<b>284,776</b>
	<hr/> <hr/>	<hr/> <hr/>

**6. CHARITABLE ACTIVITIES**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries, NI and expenses	90,970	87,361
Religious services and festivals	2,298	1,978
High Holy Day costs	4,807	4,655
Security costs	298	-
	<hr/>	<hr/>
	<b>98,373</b>	<b>93,994</b>
	<hr/> <hr/>	<hr/> <hr/>

**7. SUPPORT COSTS**

Included within Raising Funds are the following support costs:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Caretaker and cleaners	45,920	46,919
Printing, postage and stationery	6,714	6,271
Telephone	4,428	4,002
Hire of office equipment	2,619	2,619
	<hr/>	<hr/>
	<b>59,681</b>	<b>59,811</b>
	<hr/> <hr/>	<hr/> <hr/>

**South West Essex & Settlement Reform Synagogue**  
**Notes to The Financial Statements - continued**  
**For The Year Ended 31 December 2017**

<b>8. GOVERNANCE COSTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Legal and professional fees	3,901	400
Auditors' remuneration	3,840	3,000
	<hr/>	<hr/>
	<b>7,741</b>	<b>3,400</b>
	<hr/> <hr/>	<hr/> <hr/>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

The trustees consider themselves to be the key management personnel in accordance with the Synagogue's constitution.

**Trustees' Expenses**

There were no trustees' expenses paid for the year ended 31 December 2017 nor for the year ended 31 December 2016.

**Volunteers**

The charity is dependent on the voluntary work of the trustees in administering its funds and many other aspects of Synagogue working. As this work has no quantifiable value this is not recognised in the financial statements.

**10. WAGES AND SALARIES**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Salaries	142,330	123,907
National insurance	9,225	7,336
Pension costs	3,276	3,500
	<hr/>	<hr/>
	<b>154,831</b>	<b>134,743</b>
	<hr/> <hr/>	<hr/> <hr/>

**Number of employees**

The average weekly number of employees (excluding trustees) during the year were:

	<b>2017</b>	<b>2016</b>
Ministerial	1	1
Administrative	2	2
Education and Youth	2	2
Other	3	2
	<hr/>	<hr/>
	<b>8</b>	<b>7</b>
	<hr/> <hr/>	<hr/> <hr/>

No employee earned £60,000 or more in 2017.

**11. RELATED PARTY TRANSACTIONS**

The synagogue is a constituent member of the Movement for Reform Judaism. The synagogue pays a membership levy to the Movement for Reform Judaism, based on a per capita charge of the synagogue's membership. At the year end the synagogue owed the Movement £291 (2016 - £5,585). The levy due for 2017 was £44,583 (2016 £44,884).

The synagogue has entered into a contract with the JJBS Burial Society. The synagogue collects burial fees from its members and pays these to the Burial Society. In return, the Burial Society provides a comprehensive funeral and burial service for the synagogue's membership. At the year end there were no outstanding amounts due to the JJBS (2016 - £NIL).

South West Essex & Settlement Reform Synagogue  
Notes to The Financial Statements - continued  
For The Year Ended 31 December 2017

12. TANGIBLE FIXED ASSETS

Freehold Property	Freehold property £	Security fencing and lighting £	Totals £			
<b>COST/VALUATION</b>						
At 1 January 2017	2,651,525	43,559	2,695,084			
Additions/revaluation gain in the year	248,475	-	248,475			
At 31 December 2017	2,900,000	43,559	2,943,559			
<b>DEPRECIATION</b>						
At 1 January 2017	-	30,096	30,096			
Depreciation Charges for year	-	4,356	4,356			
At 31 December 2017	-	34,452	34,452			
<b>NET BOOK VALUE</b>						
As at 31 December 2017	2,900,000	9,107	2,909,107			
As at 1 January 2017	2,651,525	13,463	2,664,988			
<b>Other Tangible Assets</b>	<b>Website £</b>	<b>Religious appurtenances £</b>	<b>60th Anniversary Torah Scroll £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>						
At 1 January 2017	2,000	7,535	24,000	50,704	10,600	94,839
Additions	-	-	-	585	-	585
At 31 December 2017	2,000	7,535	24,000	51,289	10,600	95,424
<b>DEPRECIATION</b>						
At 1 January 2017	2,000	3,989	480	43,262	9,530	59,261
Charge for year	-	-	960	1,575	214	2,749
Disposal	-	-	-	-	-	-
At 31 December 2017	2,000	3,989	1,440	44,837	9,744	62,010
<b>NET BOOK VALUE</b>						
At 31st December 2017	-	3,546	22,560	6,452	856	33,414
At 1 January 2017	-	3,546	23,520	7,442	1,070	35,578
<b>Net Book Value of Total Tangible Fixed Assets as at 31st December 2017</b>						2,942,521
<b>Net Book Value of Total Tangible Fixed Assets as at 31st December 2016</b>						2,700,566

We have changed the basis of our accounting policy and have now moved to a valuations basis for the freehold property. The buildings were last professionally valued by B Bailey & Co Ltd, Chartered Surveyors and Valuers on 2 July 2018. The valuation was based on the cost of acquiring a similar property, as there is a restrictive covenant in place on the land. The historical cost of the freehold property was £945,669 with historic depreciation of £148,002. The Trustees are of the opinion that the valuation above fairly reflects the current market value of the buildings. The buildings used by the charity have not been depreciated as the trustees consider their useful life to be in excess of 100 years and the depreciation charge is therefore considered to be immaterial.

**South West Essex & Settlement Reform Synagogue**  
**Notes to The Financial Statements - continued**  
**For The Year Ended 31 December 2017**

**13. DEBTORS: AMOUNTS FALLING DUE WITH ONE YEAR**

	<b>2017</b>	2016
	£	£
Trade debtors and gift aid	30,850	75,931
Prepayments	18,555	4,354
	<u>49,405</u>	<u>80,285</u>

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

	<b>2017</b>	2016
	£	£
Bank loan and overdraft	10,555	8,437
Trade and other creditors	4,222	17,751
Accrued expenses	23,720	7,819
Amounts owed to related party (MRJ)	291	5,585
Advance income	4,530	5,076
	<u>43,318</u>	<u>44,668</u>

**Contingent Liability**

There is a contingent liability to the Movement for Reform Judaism (MRJ) in the sum of £53,349 which would crystallise should the Synagogue leave the Movement for Reform Judaism.

**15. CREDITORS; AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2017</b>	2016
	£	£
Bank loan - 2-5 years	<u>32,705</u>	<u>41,783</u>

**16. LOAN**

An analysis of the maturity of the loan is given below:

	<b>2017</b>	2016
	£	£
Amounts falling due within one year on demand:		
Bank loan	<u>8,758</u>	<u>8,437</u>
Amounts falling due between two and five years:		
Bank loan - 2 - 5 years	<u>32,705</u>	<u>41,783</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors :

	<b>2017</b>	2016
	£	£
Bank loan	<u>41,463</u>	<u>50,220</u>

The charity's bank borrowing is secured by a bank security over the freehold property shown in the the accounts.



South West Essex & Settlement Reform Synagogue  
Notes to The Financial Statements - continued  
For The Year Ended 31 December 2017

## 18. MOVEMENT IN FUNDS

	At 1.01.17 £	Net movement in funds £	Revaluation of freehold property during the year	Transfer between funds £	At 31.12.17 £
<b>Unrestricted Funds</b>					
General fund	941,307	(21,203)	-	27,258	947,362
Legacies and bequests	1,000	-	-	-	1,000
Revaluation reserve	1,748,712	-	248,475	-	1,997,187
	2,691,019	(21,203)	248,475	27,258	2,945,549
<b>Restricted Funds</b>					
Special burial fund	25,000	-	-	-	25,000
Charitable trust fund	417	-	-	-	417
Tuesday club fund	1,357	-	-	-	1,357
Blumenthal prize fund	490	-	-	-	490
Krasnador fund	245	-	-	-	245
B'nei Torah scheme	7,160	-	-	-	7,160
Education and youth	722	-	-	-	722
High Holy Day appeal	3,609	4,238	-	-	7,847
Israel Action Group	625	-	-	-	625
Building fund	2,215	25	-	-	2,240
Community and Youth	4,510	-	-	-	4,510
Jack Petchey Award Scheme	5,703	750	-	-	6,453
Security fund	36,996	(4,356)	-	-	32,640
Torah Scroll fund	23,520	(960)	-	-	22,560
Sefer Torah repair fund	5,596	-	-	-	5,596
Harry Jassby Grave Maintenance fund	108	50	-	-	158
Car park fund	27,158	100	-	(27,258)	-
Handrails Prayer Hall fund	500	5,726	-	-	6,226
Defibrillator fund	-	200	-	-	200
	145,931	5,773	-	(27,258)	124,446
<b>TOTAL FUNDS</b>	<b>2,836,950</b>	<b>(15,430)</b>	<b>248,475</b>	<b>-</b>	<b>3,069,995</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General funds	375,740	396,943	(21,203)
<b>Restricted funds</b>			
General refurbishment fund	3,802	3,802	-
Handrails Prayer Hall fund	6,226	500	5,726
High Holy Day appeal	6,260	2,022	4,238
Jack Petchey Award Scheme	750	-	750
Building fund	25	-	25
Torah Scroll fund	-	960	(960)
Security fund	-	4,356	(4,356)
Car park fund	100	-	100
Harry Jassby Grave Maintenance fund	50	-	50
Defibrillator fund	200	-	200
	17,413	11,640	5,773
<b>TOTAL FUNDS</b>	<b>393,153</b>	<b>408,583</b>	<b>(15,430)</b>

South West Essex & Settlement Reform Synagogue  
Notes to The Financial Statements - continued  
For The Year Ended 31 December 2017

## 19. COMPARATIVE MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2016

	At 1.01.16 £	Net movement in funds £	Transfers between funds £	At 31.12.16 £
<b>Unrestricted Funds</b>				
General fund	928,458	2,140	10,709	941,307
Legacies and bequests	1,000	-	-	1,000
Revaluation reserve	1,748,712	-	-	1,748,712
	2,678,170	2,140	10,709	2,691,019
<b>Restricted Funds</b>				
Special burial fund	25,000	-	-	25,000
Charitable trust fund	417	-	-	417
Tuesday club fund	1,357	-	-	1,357
Blumenthal prize fund	490	-	-	490
Krasnador fund	245	-	-	245
B'nei Torah scheme	7,160	-	-	7,160
Education and youth	722	-	-	722
High Holy Day appeal	8,340	(4,731)	-	3,609
Roof fund	11,189	(480)	(10,709)	-
Israel Action Group	625	-	-	625
Building fund	2,150	65	-	2,215
Community and Youth	4,510	-	-	4,510
Jack Petchey Award Scheme	5,765	(62)	-	5,703
Security fund	41,352	(4,356)	-	36,996
Torah Scroll fund	85	23,435	-	23,520
Sefer Torah repair fund	7,766	(2,170)	-	5,596
Harry Jassby Grave Maintenance fund	54	54	-	108
Car park fund	25,000	2,158	-	27,158
Handrails Prayer Hall fund	-	500	-	500
	142,227	14,413	(10,709)	145,931
<b>TOTAL FUNDS</b>	<b>2,820,397</b>	<b>16,553</b>	<b>-</b>	<b>2,836,950</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General funds	380,910	378,770	2,140
<b>Restricted funds</b>			
Handrails Prayer Hall fund	500	-	500
High Holy Day appeal	4,659	9,390	(4,731)
Sefer Torah Repair fund	2,960	5,130	(2,170)
Jack Petchey Award Scheme	550	612	(62)
Building fund	91	26	65
Torah Scroll fund	23,915	480	23,435
Security fund	-	4,356	(4,356)
Roof fund	-	480	(480)
Car park fund	2,638	480	2,158
Harry Jassby Grave Maintenance fund	54	-	54
	35,367	20,954	14,413
<b>TOTAL FUNDS</b>	<b>416,277</b>	<b>399,724</b>	<b>16,553</b>

Restricted funds are represented by:

	Restricted current assets £	Fixed assets £	Total £
Restricted funds	108,948	36,983	145,931

**South West Essex & Settlement Reform Synagogue**  
**Notes to The Financial Statements - continued**  
**For The Year Ended 31 December 2017**

**18. MOVEMENT IN FUNDS (continued)**

Restricted funds are represented by:

	<b>Restricted current assets</b>	<b>Fixed assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds	92,779	31,667	124,446

Restricted funds are funds donated, or set aside for specific educational or religious projects such as the the Harry Jassby Grave Maintenance Fund or the repairs of the sifrei torah fund. The Special Burial Fund represents payments of overage fees by members, to be utilised at their future burial.

The Security Fund consists of donations from a member and CST towards the erection of security fencing and gate and a new CCTV system, less accumulated depreciation to date. The Torah Scroll fund consists of donations from the membership to purchase a new Torah Scroll for the Synagogue's 60th Anniversary, less accumulated depreciation to date. The High Holy Day appeal fund comprises donations from the membership, for the annual appeal for specific selected charities.

The transfer between funds represents monies set aside in previous years, to fund the renewal of the car park.