

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

**DIRECTORS REPORT  
AND FINANCIAL STATEMENTS  
31 AUGUST 2017**

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



# Finchley Reform Synagogue

## LEGAL AND ADMINISTRATIVE DETAILS

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

### Directors

### As Director

	Roger Barden		
	Sara Bensusan		
	Victoria Kubie	Appointed	10-Oct-16
	Helen Dropkin		Resigned
	Lisa Gayer	Resigned	6-Mar-17
	Candice Gubbay	Appointed	6-Mar-17
	Robert Humphreys	Appointed	13-Nov-17
	Hannah Jacobs	Resigned	6-Mar-17
Senior Warden	Leah Jacobs	Appointed	6-Mar-17
	Catherine Levy	Resigned	30-Sep-17
	Avi Marco		
	Graham Moss	Resigned	6-Mar-17
	Ben Noah		
	Jennifer Nuni	Appointed	11-Dec-17
Vice Chair	Suzi Philip		
Chair	Michael Salida		
	Roni Schwarts	Resigned	6-Mar-17
Treasurer	Robert Stitcher		
	Matthew Stratton		
	Gill Yentis		

### Company Secretary

Matthew Stratton

### PRINCIPAL ADDRESS

101 Fallow Court Avenue  
London N12 OBE

### BANKERS

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

### AUDITORS

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



## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2017**

The Directors have pleasure in presenting their report together with the audited financial statements of the Charity for the 12 months to 31 August 2017. The financial statements are in accordance with current statutory requirements, the Memorandum and Articles of Association of the Charity and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) and the Companies Act 2006.

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

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

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

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

#### **AUDITORS**

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

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

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

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

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

## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2017

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

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

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

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

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

In addition to these and other committees and groups, the Synagogue employs administrative staff who, under the direction of the Synagogue's Executive Director, Jon Freedman, are responsible for the day to day management of the building, financial control and recordkeeping, the co-ordination of activities between the various groups and the management and administration on behalf of the clergy team. The Executive Director and the office staff are available to respond to queries which are often of a sensitive nature, including life cycle events and bereavements. Council, taking appropriate external advice where necessary, makes all significant operational decisions. We welcome Emma Wohl, who has been appointed as Head of the FRS Kindergarten, and we take this opportunity to wish Catherine Levy, who previously served FRS as our Kindergarten Head, all the very best for her future.

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

### EXTERNAL AFFILIATIONS

The Memorandum and Articles of Association provide that the Synagogue shall be a member of Reform Judaism (previously Movement for Reform Judaism), for which membership affiliation fees are payable which are calculated according to a formula related to a percentage of the previous year's subscription income. A revised formula has been agreed for calculating affiliation fees in the future, which will result in a fairer allocation of these between the various member synagogues. For the next financial year, the affiliation fees for FRS will return to a level similar to that which applied in 2015/16.

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

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

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2017**

#### **ACHIEVEMENT OF OBJECTIVES AND REVIEW OF ACTIVITIES**

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

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

**Ritual:** Our principal rabbi, Rabbi Miriam Berger and the clergy team continued to develop and lead religious services for the whole community, ensuring that they inspired every age group with content that covered prayer, study, and music and included children's activities. We are also very happy to welcome our new rabbi, Danny Newman who has already begun to bring a new dimension to the congregation.

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

Leah Jacobs took over the role of Senior Warden from Sara Bensusan this year, and new wardens joined the team with others retiring. The delegation of tasks previously carried out by just one or two people has continued with a separate team now dealing with scroll setting on a weekly basis. Some ex-wardens have also been invited back to assist with services leaving wardens more available to deal with the increasing numbers of B'nei Mitzvah being celebrated.

Allianz Park was hired for the Rosh Hashanah and Yom Kippur services in September 2016 and hired again for the second year running for services in 2017, allowing all our members and their guests, as well as visiting members of other Reform communities, to pray together as a community in one location and which enabled us to provide services for all ages and needs of our members.

**Youth and Education:** FRS Youth & Education provision continues to flourish as the number of pupils enrolled in youth programmes continues to increase.

Kochavim has over 100 children on the roll with the new reception class full. The goal for Kochavim is to develop a unique curriculum, develop learning, and to create an environment where children feel secure and make friends.

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

Friday Group, our unique B'nei Mitzvah programme, continued to grow with 30 young people attending and numbers likely to increase into 2018.

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

Youth leadership has been stepped up with a number of successful activities undertaken in the year. Our youth leadership programme has been completely revised and was launched in 2017 and this will see further investment in 2018.

**Kindergarten:** The Kindergarten has had a more difficult year than in previous years, partially due to a particularly large year group leaving and partially due to a poor interim Ofsted report (given in June 2016) which was upgraded to "Outstanding" in September 2016, restoring its previous excellent rating. The high standards of care and education are however as strong as ever, as evidenced by the "Outstanding" Ofsted classification.

## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2017

The January 2018 term has 36 children and we already have 39 children enrolled for the Summer Term. We are optimistic that this number will increase slightly before the start of the term in April.

Shofar, the new full-day nursery joint venture between FRS, Alyth and RJ, has successfully completed its second year. Sharon Lee, who for many years was Head of the FRS Kindergarten has left FRS to become the permanent Headteacher at Shofar.

**Community:** FRS continued its participation in the Together in Barnet Shelter programme, providing dinner, bed and breakfast in a homely atmosphere, once a week, for 15 homeless men and women. In December 2017 FRS hosted its third Christmas Shelter, providing 3 nights of accommodation, kosher turkey Christmas dinner and Christmas decorations. For the fourth consecutive year, the synagogue was able to host the Somali Bravanese community for their Ramadan prayers as they are still without a replacement for their premises destroyed in an arson attack in 2013. In conjunction with the Somali Bravanese community, we hosted an Iftar (fast-breaking meal) which representatives of many faiths and local politicians attended.

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

**Grants:** Grants awarded were £54,488 (comparative 2016 £43,454). Within this total, the amount of grants via the High Holy Day Appeal was £ 44,558 (comparative 2016 £40,539).

The High Holy Day Appeal main beneficiaries were those charities on which Council had agreed to focus. These were: Citizens UK £8,070; Noahs Ark £6,846; The Abraham Fund £ 7,841 and Keshet UK £5,070. Full details are in Note 14.

## FINANCIAL REVIEW

The Statement of Financial Activities for the year ended 31 August 2017 is set out on page 4 of the accounts and shows a net operating surplus from operations of £22,717 (comparative 2016 surplus - £1,116).

For the first time in many years no significant (only £336) professional fees were incurred in the process of seeking planning permission for a new building in 2017. If professional fees were excluded from the previous year, then the previous year surplus would have been £34,845.

The Synagogue's unrestricted reserves now total £225,830 (comparative 2016 - £216,688).

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

- The High Holy Day Appeal received £45,292. It disbursed £38,518 and made net transfers of £6,040.
- The Building Fund received £19,554 in the year and made no disbursements
- Summer Hype received £14,275 in the year and disbursed £14,853



## Finchley Reform Synagogue

### Directors' Report for the year ended 31 August 2017

- A new Youth and Education Fund was established with a £50,000 donation received from the Victoria Fund and £2,000 was disbursed from this fund in the year.
- Belarus Project received £731 and £7,177 was transferred in, £6,040 from the High Holy Day Appeal and £1,137 from the FRS Charity Committee. It disbursed £5,186 in the year.

A full summary of movements is detailed in note 11.

### PLANS FOR THE FUTURE

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

**Rebuilding Project:** Following a request from Council, a Building Review Group was formed during the year to reassess progress on the rebuilding project. The Group took soundings from a variety of different sources and subsequently made various recommendations to Council, which, in the autumn of 2017 resulted in the project being re-commenced, with a new governance structure, and with the aim of a complete replacement of the synagogue buildings, on the current site. Subsequent to the year end, a new Building Oversight Committee has been formed, with a Design Advisory Group and a Fundraising Group reporting into it. It is intended to appoint new professional advisors and to formally re-launch the project at the 2018 AGM.

**Ritual:** The recruitment of additional wardens and the succession of new leadership from the membership continues. In addition, we recruited a new rabbi, Danny Newman, who joined FRS in August 2017. The clergy team will continue to explore and introduce innovative choices of prayer services alongside the main services.

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

**Kindergarten:** To continue to provide an excellent standard of nursery care

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

**Financial:** The latest budget for 2017/18 anticipates an operating deficit of £32,600 which is considered acceptable taking account of existing reserves.

### INVESTMENT POLICY

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

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2017**

#### **RESERVES POLICY**

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

As identified in note 13, the unrestricted funds are £225,830 an increase of £9,142. This includes £145,434 in the Designated Fund – Fixed Assets. The unrestricted funds level is more than sufficient to cover payroll costs for several months and provides for asset depreciation and repairs as identified in note 12.

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

#### **GRANT MAKING POLICY**

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

The Synagogue has a policy to support a small number of charities over a three-year period, allowing FRS to build up a better understanding of each charity's needs than would otherwise be the case when one-off donations are made. Council agreed five charities which will be supported during a three-year period of which year one was the year ended 31 August 2017.

Additionally, the synagogue continues to support other charities with smaller donations managed by a dedicated group of members. During 2017 £4,247 was also disbursed through the FRS Cares Fund.

Details of grants made are shown in note 14 of the accounts.

#### **RISK MANAGEMENT**

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

The directors are actively preparing for the introduction of the new General Data Protection Regulation in 2018, and in December 2017 appointed a director with specific relevant experience in order to lead the synagogue's response to the new regime.

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

There are no post balance sheet events.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 31 August 2017**

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

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

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

The Directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the company. These should enable them to ascertain the financial position of the company and to ensure that the financial statements comply with the requirements of applicable law and regulations. The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Directors and signed on their behalf by:



**Michael Salida, Chair**



**Robert Sticher, Treasurer**

12 February 2018



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

### Opinion

We have audited the financial statements of Finchley Reform Synagogue for the year ended 31 August 2017, which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon.

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.

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

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

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

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

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

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

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

## **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2 vii, the directors (who are also the trustees of the charitable company) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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



Jennifer Pope (Senior Statutory Auditor)  
for and on behalf of  
**Nyman Libson Paul**  
Chartered Accountants  
Statutory Auditors  
Regina House  
124 Finchley Road  
London  
NW3 5JS

Date: 12/02/2018





**FINCHLEY REFORM SYNAGOGUE**

**BALANCE SHEET AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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FINCHLEY REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2017

INCOME AND EXPENDITURE	Notes	Unrestricted			Total	Unrestricted			Total
		Operations	Designated	Restricted	Funds 2017	Operations	Designated	Restricted	Funds 2016
		£	£	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>									
Donations and legacies	2a	790,076		142,942	933,018	760,108		61,568	821,676
Other Trading Activities	2b	4,885		-	4,885	11,344		-	11,344
Investments		821		3	824	1,537		7	1,544
Charitable Activities	2c	239,872		-	239,872	268,729		-	268,729
<b>TOTAL</b>		<u>1,035,654</u>	<u>-</u>	<u>142,945</u>	<u>1,178,599</u>	<u>1,041,718</u>	<u>-</u>	<u>61,575</u>	<u>1,103,293</u>
<b>EXPENDITURE ON</b>									
Charitable activities	3, 5, 6, 11	1,012,937	-	75,334	1,088,271	1,040,602	-	70,091	1,110,693
Other	8, 13	-	12,575	-	12,575	-	15,007	-	15,007
<b>TOTAL</b>		<u>1,012,937</u>	<u>12,575</u>	<u>75,334</u>	<u>1,100,846</u>	<u>1,040,602</u>	<u>15,007</u>	<u>70,091</u>	<u>1,125,700</u>
<b>NET INCOME/(EXPENDITURE)</b>		22,717	(12,575)	67,611	77,753	1,116	(15,007)	(8,516)	(22,407)
Transfer between funds	11, 13	(1,000)	-	1,000	-	(1,000)	0	1,000	-
<b>NET MOVEMENT IN FUNDS</b>		<u>21,717</u>	<u>(12,575)</u>	<u>68,611</u>	<u>77,753</u>	<u>116</u>	<u>(15,007)</u>	<u>(7,516)</u>	<u>(22,407)</u>
Balance brought forward at beginning of year		58,679	158,009	117,540	334,228	58,563	173,016	125,056	356,635
<b>Balance carried forward at end of year</b>		<u>80,396</u>	<u>145,434</u>	<u>186,151</u>	<u>411,981</u>	<u>58,679</u>	<u>158,009</u>	<u>117,540</u>	<u>334,228</u>

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

**FINCHLEY REFORM SYNAGOGUE**

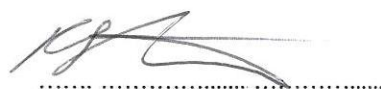
**STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2017**

	Notes	31 August 2017		31 August 2016	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	8		124,707		137,282
<b>Current Assets</b>					
Debtors and prepayments	9	76,188		64,186	
Short term deposits		403,985		302,306	
Cash at bank and in hand		5,972		4,278	
		<u>486,145</u>		<u>370,770</u>	
<b>Current Liabilities</b>					
Amounts falling due within one year	10	<u>(198,871)</u>		<u>(173,824)</u>	
<b>Net Current Assets</b>			287,274		196,946
<b>Net Assets</b>			<u><u>411,981</u></u>		<u><u>334,228</u></u>
<b>Funds</b>					
Restricted	11		186,151		117,540
Unrestricted	13		<u>225,830</u>		<u>216,688</u>
			<u><u>411,981</u></u>		<u><u>334,228</u></u>

Approved by the Board of Directors (The Synagogue Council)  
on 12 February 2018 and signed on its behalf by:



Mike Salida Chair



Rob Stitche Treasurer

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

**FINCHLEY REFORM SYNAGOGUE**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 20**

	2017	2016
	£	£
<b>Cash flows from operating activities</b>		
Net income for the year as per the statement of financial activities	77,753	(22,407)
<b>Adjustment for:-</b>		
Depreciation charges	12,575	15,007
(Increase)/decrease in debtors	(12,002)	(2,539)
Increase/(decrease) in creditors	25,047	5,925
<b>Net cash generated/(utilised) in operating activities</b>	<u>103,373</u>	<u>(4,014)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	-
<b>Net cash generated/(utilised) in investing activities</b>	<u>-</u>	<u>-</u>
<b>Change in cash and cash equivalents in the year</b>	103,373	(4,014)
Cash and cash equivalents brought forward	306,584	310,598
<b>Cash and cash equivalents carried forward</b>	<u>409,957</u>	<u>306,584</u>

# FINCHLEY REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2017

### 1.1 Basis of Preparation of Financial Statements

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

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

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

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

### 1.3 Income

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

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

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

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

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

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

### 1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. The charity is not registered for VAT and accordingly expenditure includes any VAT which cannot be recovered and is included in the relevant costs in the statement of financial activities. Direct synagogue expenditure comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

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

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

## 1.5 Fund accounting

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

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

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

## 1.6 Pensions

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

## 1.7 Tangible fixed assets and depreciation

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

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

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

The synagogue and the adjoining building were professionally valued in October 1998 at £520,000. The valuation was significantly in excess of the original cost and the Trustees consider that this continues to be the case. Accordingly depreciation has not been charged.

## 1.8 Taxation

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

## 1.9 Debtors

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

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

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

### **1.11 Creditors**

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

### **1.12 Financial Instruments**

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

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

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

#### **Accruals**

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

#### **Tangible fixed assets**

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



FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2017

2a DONATIONS AND LEGACIES

	2017	2016
	£	£
<b>Unrestricted funds</b>		
Subscriptions	612,081	588,820
Income Tax Recoverable	132,259	127,998
Parental Contributions to Educational Costs	38,192	32,906
Donations	7,544	10,384
	<u>790,076</u>	<u>760,108</u>
<b>Restricted funds</b>		
Donations	142,942	61,658
	<u>933,018</u>	<u>821,766</u>

2b OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Hire of hall	3,139	7,299
Synagogue magazine advertising	1,746	4,045
	<u>4,885</u>	<u>11,344</u>

2c CHARITABLE ACTIVITIES

	2017	2016
	£	£
Sale of High Holy Day tickets	7,438	6,445
Second Seder night	1,573	1,282
Marriages	2,825	2,900
Education fees - Kindergarten	207,023	238,659
Income from holiday schemes	21,013	19,443
Winter shelter scheme	-	-
	<u>239,872</u>	<u>268,729</u>

3 CHARITABLE ACTIVITIES

	Staff Costs	Direct Costs	Support Costs	2017	2016
	£	£	£	£	£
Services & Festivals	169,450	70,722	70,088	310,260	295,544
Youth & education	143,305	21,921	63,909	229,135	214,724
Kindergarten	162,528	13,980	34,510	211,018	229,787
Community activity	-	5,106	43,196	48,302	60,674
Interest	-	-	-	-	-
	<u>475,283</u>	<u>111,729</u>	<u>211,703</u>	<u>798,715</u>	<u>800,729</u>

4 SUPPORT COSTS

	Services & Festivals	Youth & Education	Kinder-garten	Community activities	Interest	Governance costs	Total 2017	Total 2016
	£	£	£	£	£	£	£	£
<b>Premises costs</b>								
Caretaking costs	10,938	10,938	10,938	1,823	-	1,824	36,461	34,929
Lighting, heating and rates	2,960	2,960	2,960	493	-	493	9,866	11,384
Repairs and maintenance	6,362	6,362	6,362	1,060	-	1,059	21,205	23,250
Cleaning costs	1,259	1,259	1,259	210	-	209	4,196	4,308
<b>Office costs</b>								
Administrative staff costs	27,048	27,048	5,410	27,048	-	21,639	108,193	96,651
Printing, postage & stationery	2,347	2,347	469	2,347	-	1,879	9,389	9,193
Telephone	1,763	1,763	-	1,763	-	586	5,875	3,208
Insurance	2,428	2,428	2,428	405	-	404	8,093	8,529
Interest paid	-	-	-	-	-	-	-	-
Bank charges	497	497	497	497	-	495	2,483	2,853
Equipment repairs and maintenance	3,251	3,251	3,251	542	-	541	10,836	8,856
Computer and website consultancy	129	129	129	22	-	21	430	1,800
Legal & professional fees: Building	-	-	-	-	-	366	366	33,729
Legal & professional fees: Other	-	-	-	-	-	2,518	2,518	2,571
<b>Security</b>	10,299	4,120	-	6,179	-	-	20,598	22,728
<b>Other Items</b>	807	807	807	807	-	(2)	3,226	3,216
	<u>70,088</u>	<u>63,909</u>	<u>34,510</u>	<u>43,196</u>	<u>-</u>	<u>32,032</u>	<u>243,735</u>	<u>267,205</u>

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2017

5. GOVERNANCE COSTS

	Unrestricted Funds	
	2017	2016
	£	£
Trustee Indemnity Insurance	541	574
Audit	5,520	5,300
Allocated Support costs	32,032	63,012
	<u>38,093</u>	<u>68,886</u>

6. OTHER COSTS

	Unrestricted Funds	
	2017	2016
	£	£
Reform Judaism	103,988	99,556
Jewish Joint Burial Society	58,225	57,607
Board of Deputies	13,916	13,824
	<u>176,129</u>	<u>170,987</u>

7. STAFF COSTS

	2017	2016
	£	£
Wages and Salaries	557,187	555,451
National Insurance	41,867	39,280
Pension Costs	25,929	22,809
	<u>624,983</u>	<u>617,540</u>

	2017	2016
	Full Time Equivalent	Number of Employees
Staff numbers (full time equivalents) were as follows:		
Spirituality	2.85	2.65
Education	3.00	3.00
Community	0.00	0.25
Youth	1.00	0.50
Kindergarten	5.50	7.40
Administrative	4.30	4.20
	<u>16.65</u>	<u>18.00</u>

	2017	2016
The number of higher paid employees in the band £60,001-£70,000	1	1
	<u>1</u>	<u>1</u>

	2017	2016
	£	£
Total employee benefits of key management personnel	<u>127,025</u>	<u>112,936</u>

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

8. TANGIBLE FIXED ASSETS

Cost	Freehold	Synagogue,	Synagogue	Office &	Computers	Total
	Land and Buildings	Youth Centre & Kindergarten Improvements	vestments furniture & books	Sound System Equipment		
	£	£	£	£	£	£
At 1 September 2016	109,615	339,529	34,084	37,210	40,786	561,224
Additions	-	-	-	-	-	-
Total cost at 31 August 2017	<u>109,615</u>	<u>339,529</u>	<u>34,084</u>	<u>37,210</u>	<u>40,786</u>	<u>561,224</u>
Accumulated depreciation						
At 1 September 2016	18,575	300,756	34,084	35,132	35,395	423,942
Charge for the period	-	6,392	-	792	5,391	12,575
Total cost at 31 August 2017	<u>18,575</u>	<u>307,148</u>	<u>34,084</u>	<u>35,924</u>	<u>40,786</u>	<u>436,517</u>
Net Book Values						
At 31 August 2017	<u>91,040</u>	<u>32,381</u>	<u>-</u>	<u>1,286</u>	<u>-</u>	<u>124,707</u>
At 31 August 2016	<u>91,040</u>	<u>38,773</u>	<u>-</u>	<u>2,078</u>	<u>5,391</u>	<u>137,282</u>

The outstanding capital commitment at 31 August 2017 was £Nil (2016 - NIL)

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

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2017

9. DEBTORS AND PREPAYMENTS comprise

	2017 £	2016 £
Income tax recoverable	-	42
Sundry debtors and prepayments	76,188	64,144
	<u>76,188</u>	<u>64,186</u>

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

	2017 £	2016 £
Board of Deputies levy	11,404	11,303
Kindergarten fees received in advance	25,809	19,537
Hall hire deposits	1,400	700
High Holydays ticket sales received in advance	350	420
PAYE and NIC for August	13,099	11,264
Audit Fee	5,000	5,000
Pension Contributions	2,021	1,985
Rabbinic Costs	17,379	13,280
JJBS Over-Age Payments	6,301	5,972
Trade Creditors	12,521	39,229
Other creditors and accruals	103,587	65,134
	<u>198,871</u>	<u>173,824</u>

11. RESTRICTED FUNDS

These are analysed as follows:	Balance at 01.09.16 £	Interest accrued £	Donations received £	Transfers £	Disbursed during year £	Balance at 31.08.17 £
Belarus Project Fund	941	-	731	7,177	(5,186)	3,663
Building Fund	75,138	-	19,554	-	-	94,692
Community Engagement Fund	6,639	-	6,250	-	(2,469)	10,420
Czech Scroll Trust Fund	771	-	156	-	-	927
FRS Cares Fund	16,780	-	1,680	1,000	(4,247)	15,213
FRS Charity Committee Fund	3,147	1	2,536	(1,137)	(4,546)	1
High Holyday Appeal Fund	770	2	45,292	(6,040)	(38,518)	1,506
Inter-Faith Fund	2,572	-	-	-	(1,639)	933
Jack Petchey Award Fund	1,668	-	2,250	-	(1,530)	2,388
James Harris Memorial Prize	480	-	-	-	(251)	229
Musical Engagement Intern Fund	375	-	-	-	-	375
Summer Hype	3,527	-	14,275	-	(14,853)	2,949
Youth and Education Victoria Fund	-	-	50,000	-	(2,000)	48,000
Youth Group Fund	4,732	-	218	-	(95)	4,855
	<u>117,540</u>	<u>3</u>	<u>142,942</u>	<u>1,000</u>	<u>(75,334)</u>	<u>186,151</u>

All the Disbursements totalling £75,334 were for Charitable Activities

Details relating to restricted

funds expending or holding over £2,000	Sources of funds	Restrictions of funds	Assets of funds
Belarus Project Fund	Events and donations	Preservation of Jewish heritage in Belarus	FRS bank account
Building Fund	Events and donations	Improvement of building	FRS bank account
Community Engagement Fund	Donations	Involving marginalised Jews and non Jews in communal life	FRS bank account
FRS Cares Fund	Donations	Grants and subsidies to members	FRS bank account
FRS Charity Committee Fund	Events and donations	Charitable donations	FRS Charity bank account
High Holyday Appeal Fund	High holyday appeal	Charitable donations	HHI Appeal bank account
Jack Petchey Award Fund	Grants	Development of youth resources and facilities	FRS bank account
Summer Hype	Grants and donations	Summer Camp for disadvantaged children	FRS bank account
Youth and Education Victoria Fund	Grants and donations	Facilitating Jewish life for FRS youth	FRS bank account
Youth Group Fund	Grants and donations	Facilitating Jewish life for FRS youth	FRS bank account

Details of transfers between unrestricted and restricted funds:

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

Analysis of assets and liabilities, by fund

The excess of the building carrying value over the value of these funds is utilised proportionately to offset the net liabilities of all those Funds where the assets of the funds are held in the FRS bank account and the Unrestricted Reserves shown in Note 13.

These net liabilities mainly comprise cash, amounts due from members, less accrued expenses.

The other reserves are funded by specific assets as shown on previous page.

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2017

12. DESIGNATED FUND - FIXED ASSETS

This was established in 2008. The purpose of this fund is to make proper provision for depreciation on existing fixed assets, for future repairs and renewals of the synagogue building and to provide funds for a possible major refurbishment and/or future building improvements.  
No transfer was made to this Fund for the year ended 31 August 2017.

13. UNRESTRICTED FUNDS

	Balance at 01.09.16 £	Donations received £	Transfers £	Incoming/ Outgoing £	Balance at 31.08.17 £
General Reserves	58,679	-	(1,000)	22,717	80,396
Bequest and Legacy Fund	-	-	-	-	-
	58,679	-	(1,000)	22,717	80,396
Designated Fund - Fixed Assets	158,009	-	-	(12,575)	145,434
Total Unrestricted Funds	216,688	-	(1,000)	10,142	225,830

The amount disbursed from the Designated Fund - Fixed Assets of £12,575 relates to the years depreciation of £298 on the Photocopier and Sound System, £2,655 on the Synagogue Improvements, £3,737 on the Kindergarten Improvements, £5,391 on computer systems and £494 on office equipment.

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

Fund	Recipients (all Institutional)	2017 £	2017 £
FRS Cares	12 amounts under £500, 1 of £535 and 1 of £2118		4,247
FRS Charity Committee	RJ (Israel Hofsheet)	630	
	Langdon	630	
	Bike Project	629	
	HAB	629	
	Noahs Ark	507	
	Keshet UK	507	
	TAFI	507	
	RJ (social Care)	507	
		4,546	
	Transfer to FRS Belarus Project Fund	1,137	5,683
High Holyday Appeal	Citizens UK	8,070	
	Noahs Ark	6,846	
	Abraham Fund	7,841	
	Keshet UK	5,070	
	RJ	6,529	
	1 amounts of £612	612	
	1 amounts of £200	200	
	33 amounts of £100	3,300	
	1 amount of £50	50	
		38,518	
	Transfer to FRS Belarus Project Fund	6,040	44,558
			54,488

15. RELATED PARTY TRANSACTIONS

Salary paid to a Director as Head of Kindergarten	32,350
Salary paid to son and daughter of a Director as Religion School helpers	520
	32,870

16. MEMBERS LIABILITY

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

17. COMMITMENT

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

18. CONTINGENT LIABILITY

There are no Contingent Liabilities as at 31 August 2017