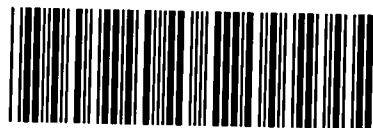


Charity Registration No. 1135296

Company Registration No. 07115198 (England and Wales)

HENDON REFORM SYNAGOGUE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

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HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Council	Mr P Bright (Chairman) Mr K R J Maddison
Charity number	1135296
Company number	07115198
Registered and principal office	Edgware and Hendon Reform Synagogue 118 Stonegrove Edgware HA8 8AB
Independent auditors	Gerald Edelman 73 Cornhill London EC3V 3QQ
Bankers	Barclays Bank plc 126 Station Road Edgware Middlesex HA8 7RY
Solicitors	Howard Kennedy LLP No.1 London Bridge London SE1 9BG
Investment advisors	Brown Shipley 3 Hardman Street Manchester M3 3HF

HENDON REFORM SYNAGOGUE

CONTENTS

	Page
Council Members' report	1 - 6
Statement of Council Members' responsibilities	7
Independent auditor's report	8 - 9
Statement of financial activities	10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 34

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

The Council present their annual report and accounts for the period ended 31 December 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The Synagogue merged with Edgware and District Reform Synagogue on 31 October 2017 to form a new congregation, Edgware and Hendon Reform Synagogue and membership was transferred to the new entity. The new entity operates from premises in Stonegrove, Edgware. These are the premises from which Edgware and District Reform Synagogue formerly operated. Until that date the Synagogue was a congregation following the Jewish religion with the aims of providing and maintaining a place for the purpose of public worship and advancing religious, educational and charitable activities. The restricted funds which comprised donations received for specific use within the Synagogue together with funds held for particular charities and charitable activities have been transferred to the new entity. The policies adopted in furtherance of these objects by the new entity continue to be to conduct a range of religious services and ceremonies, provide a Jewish education both to children and adults, though there is no longer nursery school facilities, organise a range of social, educational and cultural events and provide support within the community.

The Charities Act 2011 requires all charities to meet the legal requirement that its aims are for the public benefit. The Charity Commission in its Charities and Public Benefit guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit or benefits and secondly, that the benefit must be to the public or a section of the public. The Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Synagogue should undertake and consider that they have complied with Section 17 of the Charities Act 2011 including the guidance "Public Benefit: Running a Charity (PB2).

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

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

The Synagogue conducted a GCSE class, led by Rabbi Steven Katz, which met on Sunday mornings catering for children post bar/batmitzvah (year 8). The Bar/Bat Mitzvah class was held each Saturday prior to the start of the morning service.

Our nursery school continued until the end of the 2017 Summer term in July 2017. The dedicated staff followed the "early years" curriculum and Jewish programmes to provide the very best educational and social foundations for children up to pre reception age.

Adult Education was also available to community members and visitors alike and Torah Breakfasts were held at least once a month before the Saturday morning service.

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

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

Achievements and performance

As stated in the previous year's report, over recent years much energy has been channelled by many of our shul leaders into envisioning the future of our congregation, at least its physical location. In September 2016 a vote was taken to merge with Edgware and District Reform Synagogue which is located within the Borough of Barnet to form a new entity. The membership voted in favour of the merger by 71.8% giving the authority for the synagogue Council to facilitate the merging of the two communities at the earliest possible time. As stated above, the merger was finally completed on 31 October 2017.

Again as stated in the previous year's report, the main reasons for this merger were to ensure that the shul could provide for the children a range of social and educational opportunities. Elderly congregants need to be embraced by a team of caring fellow congregants who phone, visit, shop, care. Some congregants need courses and discussions on Judaism that inform and inspire, others want Shabbat/Yom Tov services that inform, inspire and give one a sense of God within and without. Caring, informing, inspiring, teaching, praying, socialising were all offered. Merging with Edgware and District Reform Synagogue allows us to benefit from their team of professional rabbis, welfare officers, youth leader and community organisers and the energy and good will of a congregation twice our size.

All congregants who have helped realise this merger deserve our enduring gratitude – their efforts on behalf of Hendon Reform Synagogue have often intruded into their work and family leisure time.

Report of the Chairman, Mr P A Bright

The past year has seen the most dramatic change for Hendon Reform Synagogue in its 68 years history as we completed the process of merging with Edgware and District Reform Synagogue to form the new entity based at the Stonegrove site, to be called Edgware and Hendon Reform Synagogue.

Following the vote to merge in September 2016 the management, rabbi, professional staff and volunteers spent a considerable amount time working with the EDRS board of management, to ensure a smooth transition of the two communities into one new entity based at the site in Stonegrove, which commenced in July 2017.

Up to the closure of the HRS building all services, social groups, nursery and education classes continued to function and where possible transferred into the merged community. It was disappointing that the nursery and third-party kindergarten (Gan Sabra) had to close as it was not possible to relocate to the Stonegrove site nor transfer the children out of the area.

All the professional staff from both communities were dealt with under TUPE and we were delighted that so many were found new or existing positions within the new organisation. It was with regret that there were a small number of redundancies which were dealt with in a sympathetic manner ensuring that the individuals were treated fairly and with respect.

The synagogue building was marketed by two respected agents and sold in September 2018 to another Jewish organisation. We were able to keep many of the assets of the building such as the stained-glass windows, which will be used in a new structure at the Stonegrove site to ensure that the memory of HRS lives on.

In conclusion, I hope you can see that HRS continued to provide all of the spiritual, social, cultural and personal needs of our membership during the transition and since the merger. This new entity will maintain all of the ethos, warmth and community spirit inherent of HRS with the added advantage of an enlarged engaged, vibrant membership who strive to offer all of the requirements of an ever-evolving synagogue community.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

The nursery continued to be full with some 40+ children attending on each weekday. I wish to thank the Head Teacher Alison Mazin and all her staff which enables the nursery to regularly receive praise from parents and OFSTED alike. I would also like to thank those who man the Welcome Desk and prepare the Kiddush on a Shabbat morning. This small group sets out the warmth and inclusiveness of our synagogue and is often the first point of contact showing how open, and friendly our community is to all those who come.

In conclusion, I hope you can see that HRS continued to provide all of the spiritual, social, cultural and personal needs of our membership. Over the coming months the uncertainty of our future will come to an end as we merge with EDRS to form EHRS. This new entity will maintain all of the ethos, warmth and community spirit you have enjoyed as a member of HRS with the added advantage of an enlarged engaged, vibrant membership who strive to offer all of the requirements of an ever evolving synagogue community.

Message from Rabbi Steven Katz BA (Hons)

Over the past two years, I have written a number of articles, given quite a few sermons and engaged in many personal conversations, in which I have thanked congregants of Hendon Reform Synagogue for their loyalty and much appreciated contribution of time, effort and generosity both to our shul and to other Jewish, national and worldwide humanitarian causes. I believe that these are the last words I write in this gratitude and farewell context, as we now look forward, hopefully enriched by the Jewish experience acquired and the friendships formed at Danescroft.

I hope that the benefits of these experiences and friendships will nourish us for many years to come. I close with my profound gratitude and heartfelt wishes for your good health and wellbeing.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

Financial review

The net income for the period (including investment returns and before the transfer of the net assets of the Synagogue to Edgware and Hendon Reform Synagogue) was £4,219,326 (Year to 28 February 2017- £107,072).

Total income amounted to £6,450,458 (Year to 28 February 2017 - £979,564), The property was disposed of during the period for £6,350,000 and income includes net gains on the disposal of tangible fixed assets of £5,981,163. Total expenditure amounted to £2,267,644 before the transfer of the net assets to Edgware and Hendon Reform Synagogue . (Year to 28 February 2017 - £959,388).

The transfer of the net assets of the Synagogue to Edgware and Hendon Reform Synagogue on 31 October 2017 in accordance with the merger agreement between Hendon Reform Synagogue and Edgware and District Reform Synagogue is included in expenditure on charitable activities. £5,522,902 on unrestricted funds and £233,830 on restricted funds was transferred.

Membership subscriptions were £293,918 compared to £639,229 for the full year to 28 February 2017. Subscriptions was proportionately lower because a significant number of members did not wish to join Edgware and Hendon Reform Synagogue and so they resigned.

Donations, gifts and legacies were £12,808 compared to £172,069 for the full year to 28 February 2017 mainly because a legacy of £50,000 and an exceptional donation of £78,658 was received in the year to 28 February 2017, nor was there a high holyday appeal in the period to 31 December 2017.

Income from other charitable activities was £130,336 compared to £259,678 for the full year to 28 February 2017. Such income was proportionately lower mainly because the nursery school closed in July 2017.

Expenditure incurred on raising funds was £85,658 and is broadly in line with expenditure of £160,772 incurred in the full year to 28 February 2017.

Expenditure on charitable activities excluding the transfers to Edgware and Hendon Reform Synagogue was £808,069 compared to £720,107 in the full year to 28 February 2017. It is proportionately higher mainly because impairment losses amounting to £258,624 arose on burial rights when the Synagogue's burial scheme closed.

As part of the merger agreement the Synagogue was required to close its burial scheme and to transfer its members to the Joint Jewish Burial Society Scheme. Late age entry fees of £1,189,385 charged by the Joint Jewish Burial Society for the members to join the scheme are included within other expenditure. Consequently, the sum of £180,000 held on designated funds towards the potential excess cost of burial rights payable in respect of its members has been transferred to the general fund.

Also included with other expenditure are redundancy costs amounting to £117,855 and merger costs amounting to £35,389.

The unrestricted funds of the Synagogue amounting to £5,522,902 which derive mainly from the gain on the disposal of the property were transferred to the Synagogue's successor, Edgware and Hendon Reform on the 31 October 2017. Free reserves as at that date also amounted to £5,522,902.

Restricted funds of £233,830 as detailed in note 26 were also transferred to Edgware and Hendon Reform Synagogue on 31 October 2017.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

The aim of the investment portfolio was to achieve medium to longer term growth whilst providing income. This was achieved by investing into a balanced portfolio of funds that allow for diversification across all the major asset classes and across reputable investment houses. Investment income amounted to £15,985 compared to £17,332 in the full year to 28 February 2017. The investment portfolio was transferred to Edgware and District Reform Synagogue on 31 October at market value of £814,854. The market value of investments at 28 February 2017 was £869,388 at 28 February 2017. The market value increased during the period by £36,889 because of favourable market conditions but disposals proceeds net of additions amounting to £102,201 were not reinvested.

Each year the Council assessed the major risks to which the Synagogue was exposed, and are satisfied that systems were in place to mitigate exposure to the major risks.

The significant external risks to funding referred to in the previous year's report have been addressed by the merger with Edgware and District Reform Synagogue. Internal control risks were minimised by procedures for the authorisation of transactions. Investment risk was managed by the appointment of external investment advisors who make recommendations to an Investment Committee. Appropriate Criminal Records Bureau (CRB) checks were made on all those who worked with children or other vulnerable groups.

Structure, governance and management

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

The Council, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

Mrs F Aitman	(Resigned 1 November 2017)
Mr P Bright (Chairman)	
Mr P R Eden	(Resigned 8 July 2017)
Mr P S V Joseph	(Resigned 8 July 2017)
Mr J Kettle (Hon Secretary)	(Resigned 8 July 2017)
Mr K R J Maddison	
Miss K Michael	(Resigned 6 March 2017)
Mr M J Ozin	(Resigned 1 November 2017)
Mr L I Permutt	(Resigned 8 July 2017)
Mr K E Sander	(Resigned 1 November 2017)
Mr I C Seedburgh	(Resigned 8 July 2017)
Mrs J Tucker (Vice Chairman)	(Resigned 1 November 2017)
Mr R Weisfeld	(Resigned 1 November 2017)
Mrs A Zarach	(Resigned 1 November 2017)
Mr A J O'Brart	(Resigned 8 July 2017)
Mr M Ellis	(Appointed 8 July 2017 and resigned 1 November 2017)
Mr R Rosenthal	(Appointed 8 July 2017 and resigned 1 November 2017)

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

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

Council members were covered by indemnity insurance. The annual premium was £498.

The Synagogue was run by a Council of up to twenty members who were elected at the Annual General Meeting. In addition, the Council could co-opt up to three additional members. The Council generally made decisions based on the recommendations of appropriate sub committees. Day to day running of the Synagogue was overseen by the Synagogue administrator.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2017

Following the merger with Edgware and district Reform Synagogue all the council members retired with the exception of Mr K R J Maddison and Mr P Bright.

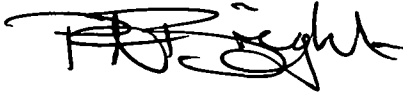
Auditor

A resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the members at the Annual General Meeting.

Disclosure of information to auditors

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

On behalf of the Council



Mr P Bright (Chairman)

Dated: 14 November 2018

HENDON REFORM SYNAGOGUE

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 DECEMBER 2017

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

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

In preparing these accounts, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Synagogue will continue in operation.

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

In so far as the trustees are aware:

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

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

Opinion

We have audited the financial statements of Hendon Reform Synagogue (the 'Synagogue') for the period ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, for the period 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 accounts section of our report. We are independent of the Synagogue in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Council Members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Synagogue'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 Council are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Council Members' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Council

As explained more fully in the statement of Council Members' responsibilities, the Council, who are also the directors of the Synagogue for the purpose of company law, 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 Council 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 Council are responsible for assessing the Synagogue'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 Council either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

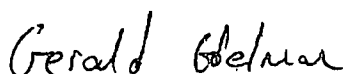
We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Gerald Edelman
Chartered Accountants
Statutory Auditor

14 November 2018

73 Cornhill
London
EC3V 3QQ

Gerald Edelman is eligible for appointment as auditor of the Synagogue by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

HENDON REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	Total Period to 31 December 2017 £	Total Year to 28 February 2017 £
<u>Income and endowments from:</u>					
Donations and legacies	3	286,970	6,948	293,918	636,229
Charitable activities	4	130,336	-	130,336	259,678
Other trading activities	5	25,332	-	25,332	62,902
Investments	6	15,985	-	15,985	17,332
Other income	7	5,984,887	-	5,984,887	3,423
Total income		6,443,510	6,948	6,450,458	979,564
<u>Expenditure on:</u>					
Raising funds	8	85,658	-	85,658	160,772
<u>Charitable activities</u>					
Education	9	116,507	-	116,507	209,995
Funeral and cemetery	9	226,013	129,399	355,412	120,700
Services	9	291,903	500	292,403	340,182
Community support	9	35,230	8,517	43,747	49,230
Transfer to Edgware and Hendon Reform Synagogue	9	5,522,902	233,830	5,756,732	-
Total charitable expenditure		6,192,555	372,246	6,564,801	720,107
Other expenditure	14	1,373,917	-	1,373,917	78,509
Total expenditure		7,652,130	372,246	8,024,376	959,388
Net (expenditure) income before investment returns		(1,208,620)	(365,298)	(1,573,918)	20,176
Net gains on investments	15	36,512	-	36,512	86,896
Net movement in funds		(1,172,108)	(365,298)	(1,537,406)	107,072
Fund balances at 1 March 2017		1,172,108	365,298	1,537,406	1,430,334
Fund balances at 31 December 2017		-	-	-	1,537,406

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

All income and expenditure derive from discontinued activities.

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

HENDON REFORM SYNAGOGUE

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	Period to 31 December 2017		Year to 28 February 2017	
		£	£	£	£
Fixed assets					
Intangible assets	17	-	-	375,304	
Tangible assets	18	-	-	406,560	
Investments	19	-	-	869,388	
				<u>1,651,252</u>	
Current assets					
Debtors	21	-	49,069		
Cash at bank and in hand		5,962,803	112,352		
		<u>5,962,803</u>	<u>161,421</u>		
Creditors: amounts falling due within one year	22	(5,962,803)	(95,267)		
Net current assets			-		66,154
Total assets less current liabilities			-		<u>1,717,406</u>
Provisions for liabilities	23		-		(180,000)
Net assets			-		<u>1,537,406</u>
Income funds					
Restricted funds	25	-	-	365,298	
<u>Unrestricted funds</u>					
Designated funds	26	-	180,000		
General unrestricted funds		-	992,108		
			-		<u>1,172,108</u>
			-		<u>1,537,406</u>

HENDON REFORM SYNAGOGUE

BALANCE SHEET (CONTINUED)

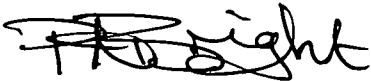
AS AT 31 DECEMBER 2017

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 December 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Council on 14 November 2018



Mr P Bright (Chairman)
Trustee

Company Registration No. 07115198

HENDON REFORM SYNAGOGUE

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	Period to 31 December 2017		Year to 28 February 2017	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(1,554,410)		66,470
Investing activities					
Proceeds on disposal of intangibles		100,000		-	
Proceeds on disposal of tangible fixed assets		6,382,976		-	
Purchase of investments		(2,155)		(28,827)	
Proceeds on disposal of investments		908,055		47,912	
Interest received		15,985		17,332	
Net cash generated from investing activities			7,404,861		36,417
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			5,850,451		102,887
Cash and cash equivalents at beginning of period			112,352		9,465
Cash and cash equivalents at end of period			5,962,803		112,352
Relating to:					
Cash at bank and in hand			5,962,803		112,352

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

Charity information

Hendon Reform Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is Edgware and Hendon Reform Synagogue, 118 Stonegrove, Edgware, HA8 8AB.

1.1 Accounting convention

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

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

1.2 Going concern

The Synagogue is now dormant following the merger with Edgware and District Reform Synagogue on 31 October 2017.

1.3 Incoming resources

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

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

Legacies are recognised at the earlier of the date on which the Synagogue is aware probate has been granted, the estate has been finalised and notification has been made by the executors to the Synagogue that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Synagogue has been notified of the executor's intention to make a distribution. When legacies have been notified to the Synagogue, or the Synagogue is aware of the granting of probate but the criteria for income recognition have not been met, the legacy is treated as a contingent asset.

Donated assets given for use by the Synagogue are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met and the receipt of economic benefit for use by the Synagogue is probable. Such assets are brought into the accounts at the lower of replacement cost and recoverable amount.

Deferred income represents membership subscriptions received in advance and nursery school and other fees for services that had not been substantially completed at the year end.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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

Investment income is included in the accounts at the date of entitlement.

All other income is included in the accounts on an accruals basis.

1.4 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Synagogue to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on the accruals basis. The Synagogue is not registered for VAT and accordingly expenditure includes irrecoverable VAT which is charged against the expenditure heading for which it was incurred.

Expenditure on raising funds include the costs incurred by the Synagogue in generating membership subscriptions and voluntary income including donations and legacies and on fundraising and other activities to raise funds.

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

Support costs include central functions that assist the work of the charity but do not directly undertake charitable activities. They have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of salaries and other overheads.

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

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Burial rights written off over useful life of 25 years

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

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

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

Land and buildings	Nil
Plant and machinery	7 1/2% per annum
Fixtures, fittings and equipment	10% per annum

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

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.10 Financial instruments

The Synagogue has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Synagogue's balance sheet when the Synagogue becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Synagogue's contractual obligations expire or are discharged or cancelled.

1.11 Provisions

Provisions are recognised when the Synagogue has a legal or constructive present obligation as a result of a past event, it is probable that the Synagogue will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.12 Employee benefits

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

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

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.15 Fund accounting

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

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

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

1.16 Burial rights

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

1.17 Taxation

As a registered charity the charitable company is exempt from taxation on its activities which fall within the scope of section 505(1) of the Taxes Act 1988 and section 252 of the Taxation of Chargeable Gains Act 1992.

2 Critical accounting estimates and judgements

In the application of the Synagogue's accounting policies, the Council are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Period to 31 December 2017	Total Year to 28 February 2017
	£	£	£	£
Donations and gifts	860	6,948	7,808	122,069
Legacies receivable	5,000	-	5,000	50,000
Membership subscriptions	219,815	-	219,815	387,724
Income tax recoverable on membership subscriptions	61,295	-	61,295	76,436
	<u>286,970</u>	<u>6,948</u>	<u>293,918</u>	<u>636,229</u>
For the period ended 28 February 2017	<u><u>538,373</u></u>	<u><u>97,856</u></u>		<u><u>636,229</u></u>

4 Charitable activities

	Education	Funeral and cemetery	Services and festivals	Total Period to 31 December 2017	Total Year to 28 February 2017
	£	£	£	£	£
Income within charitable activities	<u>86,733</u>	<u>35,460</u>	<u>8,143</u>	<u>130,336</u>	<u>259,678</u>

5 Other trading activities

	Period to 31 December 2017	Year to 28 February 2017
	£	£
Fundraising events	7,155	12,112
Rental income	18,177	48,634
Synagogue magazine	-	2,156
Other trading activities	<u>25,332</u>	<u>62,902</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

6 Investments

	Unrestricted funds	Restricted funds	Total Period to 31 December 2017	Total Year to 28 February 2017
	£	£	£	£
Income from listed investments	13,193	-	13,193	17,269
Interest receivable	2,792	-	2,792	63
	<u>15,985</u>	<u>-</u>	<u>15,985</u>	<u>17,332</u>
For the period ended 28 February 2017	<u>17,282</u>	<u>50</u>		<u>17,332</u>

7 Other income

	Period to 31 December 2017	Year to 28 February 2017
	£	£
Net gain on disposal of tangible fixed assets	5,981,163	-
Other income	3,724	3,423
	<u>5,984,887</u>	<u>3,423</u>

HENDON REFORM SYNAGOGUE

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

8 Raising funds

	Unrestricted funds	Restricted funds	Total Period to 31 December 2017	Total Year to 28 February 2017
	£	£	£	£
<u>Governance and other support costs</u>				
Other fundraising costs	3,091	-	3,091	4,205
Support costs	73,089	-	73,089	139,027
	<hr/>	<hr/>	<hr/>	<hr/>
Governance and other support costs	76,180	-	76,180	143,232
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Fundraising costs and publicity</u>				
Other trading activities	6,709	-	6,709	12,235
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Investment management</u>	2,769	-	2,769	5,305
	<hr/>	<hr/>	<hr/>	<hr/>
	85,658	-	85,658	160,772
	<hr/>	<hr/>	<hr/>	<hr/>
For the period ended 28 February 2017				
Governance and other support costs	141,565	1,667		143,232
Fundraising costs and publicity	12,235	-		12,235
Investment management	5,305	-		5,305
	<hr/>	<hr/>		<hr/>
	159,105	1,667		160,772
	<hr/>	<hr/>		<hr/>

HENDON REFORM SYNAGOGUE

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

9 Charitable activities

	Education	Funeral and cemetery	Services	Community support	Transfer to Edgware and Hendon Reform Synagogue	Total Period to 31 December 2017	Total Year to 28 February 2017
	£	£	£	£	£	£	£
Staff costs	56,843	-	76,006	-	-	132,849	236,141
Depreciation and impairment	-	275,304	763	-	-	276,067	28,346
Educational materials and other costs	1,227	-	-	-	-	1,227	18,518
Security	23,205	-	-	-	-	23,205	40,776
Undertakers' fees	-	21,249	-	-	-	21,249	36,928
Contributions to members' funerals	-	18,267	-	-	-	18,267	28,263
Cemetery repairs and maintenance	-	16,063	-	-	-	16,063	8,166
Other cemetery costs	-	2,945	-	-	-	2,945	6,892
Kiddushim, wedding fees and choir costs	-	-	21,862	-	-	21,862	50,820
Contribution to burial scheme	-	3,968	-	-	-	3,968	-
Transfer to Edgware and Hendon Reform Synagogue	-	-	-	-	5,756,732	5,756,732	-
	<u>81,275</u>	<u>337,796</u>	<u>98,631</u>	<u>-</u>	<u>5,756,732</u>	<u>6,274,434</u>	<u>454,850</u>
Grant funding of activities (see note 10)	-	-	-	8,517	-	8,517	18,371
Share of support costs (see note 11)	32,798	16,400	180,393	32,798	-	262,389	206,619
Share of governance costs (see note 11)	2,434	1,216	13,379	2,432	-	19,461	40,267
	<u>116,507</u>	<u>355,412</u>	<u>292,403</u>	<u>43,747</u>	<u>5,756,732</u>	<u>6,564,801</u>	<u>720,107</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

9	Charitable activities	(Continued)				
Analysis by fund						
Unrestricted funds	116,507	226,013	291,903	35,230	5,522,902	6,192,555
Restricted funds	-	129,399	500	8,517	233,830	372,246
	<u>116,507</u>	<u>355,412</u>	<u>292,403</u>	<u>43,747</u>	<u>5,756,732</u>	<u>6,564,801</u>
For the period ended 28 February 2017						
Unrestricted funds	208,385	109,063	337,188	32,143	-	686,779
Restricted funds	1,610	11,637	2,994	17,087	-	33,328
	<u>209,995</u>	<u>120,700</u>	<u>340,182</u>	<u>49,230</u>	<u>-</u>	<u>720,107</u>

The transfers to Edgware and Hendon Reform Synagogue represents the net assets of the Synagogue held on unrestricted and restricted funds respectively transferred to the Synagogue's successor in accordance with the merger agreement between Hendon Reform Synagogue and Edgware and District Reform Synagogue dated 31 October 2017

HENDON REFORM SYNAGOGUE

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

10 Grants payable

	Period to 31 December 2017 £	Year to 28 February 2017 £
Grants to institutions (4 grants):		
Board of Deputies	6,367	8,655
Exodus 2000	2,000	4,000
Jewish Care	-	4,172
Other	150	1,544
	<u>8,517</u>	<u>18,371</u>

The Board of Deputies of British Jews is a national representative body of the Jewish community, and is the chief voice of British Jewry; Exodus 2000 encourages communities in the UK to adopt or to "twin with" communities in the former Soviet Union, Jewish Care is a provider of health and social care services to the Jewish Community.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

11 Support costs

	Support costs	Governance costs	Period to 31 December 2017	Year to 28 February 2017	Basis of allocation
	£	£	£	£	
Staff costs	99,320	11,035	110,355	190,007	Time spent
Depreciation	3,944	40	3,984	3,935	Usage
Premises costs	25,694	-	25,694	75,222	Usage
Administration expenses	20,562	1,141	21,703	30,418	Usage
Movement for Reform Judaism affiliation fee	170,391	-	170,391	18,000	Usage
Audit fees	-	20,436	20,436	17,197	Governance
Legal and professional	-	1,525	1,525	50,636	Governance
Trustees' indemnity insurance	-	851	851	498	Governance
	<u>319,911</u>	<u>35,028</u>	<u>354,939</u>	<u>385,913</u>	
Analysed between					
Fundraising	57,522	15,567	73,089	139,027	
Charitable activities	262,389	19,461	281,850	246,886	
	<u>319,911</u>	<u>35,028</u>	<u>354,939</u>	<u>385,913</u>	

Governance costs includes payments to the auditors of £9,000 (Year to 28 February 2017- £9,000) for audit fees and £10,436 (Year to 28 February 2017- £8,197) for other services. Merger costs include payment to the auditors of £4,500 for other services (Year to 28 February 2017- £Nil)

12 Council

None of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the period.

HENDON REFORM SYNAGOGUE

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

13 Employees

Number of employees

The average monthly number employees during the period was:

	Period to 31 December 2017	Year to 28 February 2017
	Number	Number
Services	1	1
Nursery school	4	4
Administration	4	4
	<u>9</u>	<u>9</u>

Employment costs

	Period to 31 December 2017	Year to 28 February 2017
	£	£
Wages and salaries	235,134	408,565
Social security costs	12,755	26,360
Other pension costs	6,350	10,224
	<u>254,239</u>	<u>445,149</u>

Employment costs included redundancy payments amounting to £117,855. These were paid as a result of the restructuring and TUPE process following the merger of Hendon Reform Synagogue and Edgware and District Reform Synagogue on 31 October 2017 when the majority of staff were transferred to the new merged synagogue, Edgware and Hendon Reform Synagogue.

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

	Period to 31 December 2017	Year to 28 February 2017
	Number	Number
Rabbis - £100,000 to £110,000	<u>1</u>	<u>1</u>

Contributions totalling £5,549 (Year to 28 February 2017: £8,327) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

HENDON REFORM SYNAGOGUE

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

14 Other expenditure

	Period to 31 December 2017	Year to 28 February 2017
	£	£
Pension and accommodation costs for wife of late rabbi	31,288	41,393
Utilisation of provision for above costs	(31,194)	(41,393)
Transfer to provision for above costs	31,194	78,509
Burial scheme costs	1,189,385	-
Redundancy costs	117,855	-
Merger costs	35,389	-
	<u>1,373,917</u>	<u>78,509</u>

15 Net gains/(losses) on investments

	Period to 31 December 2017	Year to 28 February 2017
	£	£
Revaluation of investments	36,889	85,214
(Loss)/gain on sale of investments	(377)	1,682
	<u>36,512</u>	<u>86,896</u>

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

16 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Period to 31 December 2017	Year to 28 February 2017
	£	£
In respect of:		
Intangible assets	258,624	-

As part of the merger agreement burial rights were transferred to Edgware and District Reform Synagogue on 31 October 2017. Such rights were subsequently disposed for £100,000 as part of the transfer of the Synagogue's membership from its own burial scheme to the Joint Jewish Burial Society's scheme and so the difference of £258,624 between the carrying value and the value agreed with the Joint Jewish Burial Society has been treated as an impairment.

17 Intangible fixed assets

	Burial rights £
Cost	
At 1 March 2017	681,437
Disposals	(681,437)
At 31 December 2017	-
Amortisation and impairment	
At 1 March 2017	306,133
Amortisation charged for the period	16,680
Impairment losses	258,624
Disposals	(581,437)
At 31 December 2017	-
Carrying amount	
At 31 December 2017	-
At 28 February 2017	375,304

More information on the impairment arising in the period is given in note 16.

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

17 Intangible fixed assets

(Continued)

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

Burial rights were transferred to the Synagogue's successor, Edgware and Hendon Reform Synagogue, for £100,000.

18 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings and equipment	Scrolls, silver & other artefacts	Total
	£	£	£	£	£
Cost					
At 1 March 2017	200,065	219,794	111,710	190,000	721,569
Disposals	(200,065)	(219,794)	(111,710)	(190,000)	(721,569)
At 31 December 2017	-	-	-	-	-
Depreciation and impairment					
At 1 March 2017	-	209,931	105,078	-	315,009
Depreciation charged in the period	-	1,429	3,318	-	4,747
Eliminated in respect of disposals	-	(211,360)	(108,396)	-	(319,756)
At 31 December 2017	-	-	-	-	-
Carrying amount					
At 31 December 2017	-	-	-	-	-
At 28 February 2017	200,065	9,863	6,632	190,000	406,560

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

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

Stained glass windows and religious artefacts were transferred to the Synagogue's successor, Edgware and Hendon Reform Synagogue, at book value of £40,000 and £190,000 respectively.

HENDON REFORM SYNAGOGUE

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

19 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 March 2017	843,774	25,614	869,388
Additions	2,155	115,132	117,287
Valuation changes	36,889	-	36,889
Disposals	(882,818)	(140,746)	(1,023,564)
At 31 December 2017	-	-	-
Carrying amount			
At 31 December 2017	-	-	-
At 28 February 2017	843,774	25,614	869,388

Disposal of investments includes investments transferred to the Synagogue's successor, Edgware and Hendon Reform Synagogue, at market value on 31 October 2017 of £778,463. Cash of £36,124 held for investment as at that date was also transferred.

20 Financial instruments

	Period to 31 December 2017 £	Year to 28 February 2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	30,694
Equity instruments measured at cost less impairment	-	869,388
Carrying amount of financial liabilities		
Measured at amortised cost	5,962,803	72,450

21 Debtors

	Period to 31 December 2017 £	Year to 28 February 2017 £
Amounts falling due within one year:		
Other debtors	-	30,694
Prepayments and accrued income	-	18,375
	-	49,069

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

22 Creditors: amounts falling due within one year

	Notes	Period to 31 December 2017 £	Year to 28 February 2017 £
Deferred income	24	-	22,817
Other creditors		5,962,803	52,651
Accruals and deferred income		-	19,799
		<u>5,962,803</u>	<u>95,267</u>

23 Provisions for liabilities

	Period to 31 December 2017 £	Year to 28 February 2017 £
	-	180,000
		<u>£</u>
At 1 March 2017		180,000
Additional provisions in the year		31,194
Reversal of provision		(180,000)
Utilisation of provision		(31,194)
		<u>-</u>
At 31 December 2017		<u>-</u>

The provision related to a pension and accommodation for the wife of the late rabbi which the Synagogue is committed to provide under a legally binding agreement made in 1971 by the company's predecessors, Hendon Reform Synagogue. The provision is calculated as the estimated total value of future payments that are expected to be made and has not been discounted. The obligation to provide such pension and accommodation has been transferred to the Synagogue's successor, Edgware and Hendon Reform Synagogue, under the terms of the merger agreement with Edgware Reform Synagogue and so the provision is no longer required.

24 Deferred income

	Period to 31 December 2017 £	Year to 28 February 2017 £
Fee income including subscriptions	-	22,817
	<u>-</u>	<u>22,817</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

25 Restricted funds

	Balance at 1 March 2017	Incoming resources	Resources expended	Transfers	Balance at 31 December 2017
	£	£	£	£	£
Specific Synagogue purposes	292,061	625	(129,899)	(162,787)	-
Appeal funds for charitable purposes	73,237	6,323	(8,517)	(71,043)	-
	<u>365,298</u>	<u>6,948</u>	<u>(138,416)</u>	<u>(233,830)</u>	<u>-</u>

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

The fund for specific Synagogue purposes includes the balance of a donation of £300,000 (year ended 28 February 2017: £300,000) from the Sydney Kingsley Trust made to the company's predecessors, Hendon Reform Synagogue, £250,000 (year ended 28 February 2017: £250,000) of which was donated for the specific purpose of redeeming the bank loan taken out to enable the Synagogue to purchase burial rights at Edgwarebury Lane. Following the merger with Edgware and Hendon Reform Synagogue and the impairment of burial rights as described in note 16, £6,950 was charged to the fund during the period and the balance of the fund amounting to £122,449 has been written off. The balance of the donation at 29 February 2017 was £129,399.

Appeal funds for specific charities represent funds raised by the High Holyday appeal and other appeals which have been or will be paid to charities. These funds have been transferred to Edgware and Hendon Reform Synagogue.

Other funds held for specific Synagogue purposes include £78,658 for education, a benevolent fund of £14,708 raised at the 60th Anniversary Celebrations, £9,565 for youth activities, grants and other donations received of £17,439 for educational purposes, a members support fund of £8,600, £23,648 donated for synagogue improvements and other items and a fund of £3,469 to be used to provide an annual kiddush in accordance with the donor's wishes. The funds held for specific Synagogue purposes have been transferred to Edgware and District Reform Synagogue.

26 Designated funds

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

	Balance at 1 March 2017	Incoming resources	Resources expended	Transfers	Balance at 31 December 2017
Funeral fund	180,000	-	-	(180,000)	-

Under the terms of the merger agreement with Edgware Reform Synagogue the Synagogue transferred its obligation to provide burials for its former members to the Joint Jewish Burial Society. The consideration for the Synagogue disposing of its obligation was £1,189,385. The burial fund is therefore no longer required.

HENDON REFORM SYNAGOGUE

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

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	Period to 31 December 2017 £	Year to 28 February 2017 £
Aggregate compensation	92,077	141,739

Transactions with related parties

During the period the Synagogue entered into the following transactions with related parties:

As described in note 10, the net assets of the Synagogue were donated to the Synagogue's successor, Edware and Hendon Reform Synagogue.

Edware and District Reform Synagogue with whom the Synagogue merged on 31 October 2017 paid expenses of £99,142, mainly in respect of redundancy costs, on the Synagogue's behalf.

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	Period to 31 December 2017 £	Year to 28 February 2017 £
Edware and Hendon Reform Synagogue	5,863,661	-
Edware and District Reform Synagogue	99,142	-
	<u>5,962,803</u>	<u>-</u>

Mrs D Bright (the wife of a Council Member, Mr P Bright) was employed by the Synagogue as part of the administration team at normal rates and on normal terms. Her salary was £9,291 (Period to 28 February 2017 - £3,712). No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the period.

HENDON REFORM SYNAGOGUE

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

28 Cash generated from operations	Period to 31 December 2017	Year to 28 February 2017
	£	£
(Deficit)/surplus for the period	(1,537,406)	107,072
Adjustments for:		
Investment income recognised in statement of financial activities	(15,985)	(17,332)
Gain on disposal of tangible fixed assets	(5,981,163)	-
Loss/(gain) on disposal of investments	377	(1,682)
Fair value gains and losses on investments	(36,889)	(85,214)
Depreciation and impairment of tangible fixed assets	280,051	32,281
Movements in working capital:		
Decrease in debtors	49,069	10,350
Increase/(decrease) in creditors	5,890,353	(7,653)
Increase/(decrease) in provisions	(180,000)	37,116
(Decrease) in deferred income	(22,817)	(8,468)
Cash (absorbed by)/generated from operations	<u>(1,554,410)</u>	<u>66,470</u>