

Charity Registration No. 1133578

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CREATIVITY BUSINESS ENERGY VISION

**THE NEW LONDON SYNAGOGUE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2016**

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# THE NEW LONDON SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Council Members</b>	Anthony Filer David Franks Ian Green (Chairman) Emily Landau (Treasurer) Sue Leifer Alex Wolf Edward Teeger Alan Sanders Nathalie Glaser Daniel Saville Anthony Phillips (Appointed 29 June 2015) Robert Low (Appointed 29 June 2015) Ryan Monis (Appointed 29 June 2015) Benjamin Gray (Warden) (Appointed 29 June 2015) Joanne Kosmin (Appointed 29 May 2015)
<b>Honorary Solicitor</b>	Brian Fraiman
<b>Secretary</b>	Joanne Velleman
<b>Charity number</b>	1133578
<b>Company number</b>	07030491
<b>Principal address</b>	33 Abbey Road London United Kingdom NW8 0AT
<b>Registered office</b>	33 Abbey Road London United Kingdom NW8 0AT
<b>Auditors</b>	H W Fisher & Company Acre House 11-15 William Road London United Kingdom NW1 3ER
<b>Bankers</b>	National Westminster Bank plc PO Box 7014 102 St John's Wood High Street London United Kingdom NW8 7SD

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# THE NEW LONDON SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

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CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

Bank of Scotland Plc  
The Mound  
Edinburgh  
EH1 1YZ

### **Investment advisors**

JP Morgan Private Bank  
125 London Wall  
London  
EC2Y 5AJ

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# THE NEW LONDON SYNAGOGUE

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# THE NEW LONDON SYNAGOGUE TRUSTEES' REPORT

**FOR THE YEAR ENDED 29 FEBRUARY 2016**

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The Council members present herewith their report and accounts for the year ended  
29<sup>th</sup> February 2016

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing documents, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

## Organisational Structure

The New London Synagogue, 33 Abbey Road, London NW8 0AT is a company limited by guarantee registered in England and Wales and was incorporated on 25 September 2009 under number 07030491. It does not have share capital. The company is also registered under charity registration number 1133578.

Council members are trustees for charity purposes and directors for company law and are hereinafter variously referred to as Council Members, directors or trustees.

They are elected for a period of 3 years at the Annual General Meeting. They are nominated and voted in by members of the New London Synagogue. The Treasurer and Synagogue Wardens are ex officio members of the Council.

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

Anthony Filer		
David Franks		
Nathalie Glaser		
Benjamin Gray	(Warden)	Elected June 2015
Ian Green	(Chairman)	
Roy Green	(Warden)	Died 22 <sup>nd</sup> June 2015
Stephen Greene		Retired June 2015
Stephen Hill		Retired January 2016
Joanne Kosmin	(Masorti Judaism rep)	
Emily Landau	(Treasurer)	
Susan Leifer		
Stephen Lerman		
Robert Low		Elected June 2015
Louis Lyons	(Warden)	Retired June 2015
Ryan Monis		Elected June 2015
Anthony Phillips		Elected June 2015
Alan Sanders		
Daniel Saville		
Gavin Stein		Retired June 2015
Edward Teeger		
Louise Spencer-Hope		Retired June 2015
Alex Wolf		

Senior staff responsible for day-to-day management were:

Jo Velleman	(Executive Director)
James Cohen	(Finance Administrator)

None of the Council Members has any beneficial interest in the company. Each Council Member guarantees to contribute £1 in the event of a winding-up.

## Related Parties

No trustees nor any persons connected with them have received or are due to receive any remuneration directly or indirectly from the charity's funds. No personal expenses were reimbursed to Trustees in the year.

## Relationship between Charity and Related Parties

Rabbi Jeremy Gordon and Cantor Jason Green are both ex officio non-voting members of the Council and are also employees of the company. Their salaries are incorporated in the salary costs per note 8 and note 9.

## Decision Making

Decision making is in accordance with and regulated by the Memorandum and Articles of Association.

The Council has overall responsibility for the management of the Synagogue. Day to day management of the Synagogue is delegated to the Executive Committee of Council.

# THE NEW LONDON SYNAGOGUE TRUSTEES REPORT

*FOR THE YEAR ENDED 29 FEBRUARY 2016 (Continued)*

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## **Recruitment and Appointment of Trustees**

Council members are elected or appointed in accordance with the provisions of the Memorandum and Articles of Association. There is no formal training requirement.

## **Risk Management**

The Council has assessed the risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The Synagogue maintains a risk register that is reviewed by the Executive Committee on a regular basis.

Principal risks, in addition to financial risks, include security, health and safety and child protection measures.

Financial risks are monitored by Finance Committee and at monthly Executive Committee meetings.

There has been an increased security risk over the past few years. Our Security Officer has proposed additional security measures, some of which have been implemented already, with the remaining due to be implemented during the coming financial year once planning permissions are obtained.

Health and Safety policies are maintained and monitored by the Office Director. Child protection policies are in place and the Head of Youth is responsible for ensuring that these policies are adhered to at all times.

## **Pay reviews**

The trustees have a pay review policy that links salaries to inflationary indexes. This is reviewed by the Executive Committee at least annually.

## **Objectives and Activities**

The objectives of the Company are the continuance, support and maintenance of the Synagogue at Abbey Road, London and otherwise for the advancement and promotion of the practise and teaching of traditional Judaism.

The objectives of the company are achieved by the maintenance of the Synagogue and the provision of religious and educational and other related activities including regular religious services held weekly and on all Jewish festivals and holy days; religion school on Sundays; life cycle support; weekday and evening educational and social programmes throughout the year.

## **Achievements and Performance**

The company continued to fulfil its function in accordance with the Memorandum and Articles of Association, by providing a full range of Jewish religious, social and educational services for our congregation and their families.

The listed synagogue building and ancillary offices have been maintained; religious services are held regularly; the religion school has developed into a vibrant community and the adult education programme continues to run successful activities throughout the year..

The charity continues to develop contact with funders and potential funders.

## **Public Benefit**

The Council has complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

## **Financial Review**

For the year ended 29<sup>th</sup> February 2016, the company had total incoming resources of £728,533, some 17.6% lower than the previous year. As in the previous year, the major component of this total was voluntary income from membership fees and donations, some 6.9% higher than last year at £564,947. The total continues to benefit from an ongoing fundraising initiative which commenced in January 2012 and to the extent received during the year, is included in the Voluntary Income, net of Gift Aid.

In addition, a successful grant application towards the cost of VAT on some building works resulted in a receipt of over £22,950. Of this, some £14,250 was offered back to the donor of the cost of the relevant works who generously offered to redirect the recovery to other good causes that both the individual and the synagogue support.

Funds have also been set aside pending estimates and planning consent for potential additional physical security measures.

Total resources expended amounted to £724,514 some 8.8% lower than the previous year. This figure includes some building refurbishment, including roof and building works, stained glass window repair and renovation and double glazed replacement windows as well as increased utility and security costs.

Investment fund declined in value by £ 71,962 (2015: gain of £75,571) due to more turbulent markets. Other investment income of £21,289 (2015: £12,468) arising on the investment funds meant an overall a net movement in funds of £56,347 to be achieved compared with a net movement of £165,313 in the previous year.

# THE NEW LONDON SYNAGOGUE TRUSTEES REPORT

**FOR THE YEAR ENDED 29 FEBRUARY 2016 (Continued)**

At 29<sup>th</sup> February 2016, net assets amounted to £2,734,335 (2015: £2,790,682) of which unrestricted and undesignated funds amounted to £338,840 (2015: £277,772). Designated funds amounted to £2,313,755 (2015: £2,385,872) and restricted funds amounted to £81,740 (2015: £127,038).

The designated funds in the 2016 balance sheet comprise (i) the net book value £105,289 (£108,386) of the Synagogue building carried forward; (ii) the net book value £1,100,000 (£1,125,000) of the Synagogue's interest in 29 Goldhurst Terrace (see note 14); and (iii) £1,108,466 funds being managed for the Synagogue by JP Morgan. The composition of the restricted fund is as shown in note 20.

## Reserves Policy

The Trustees have a policy of having sufficient reserves to meet three months' of expected liabilities as they fall due. At 29 February 2016 we maintained cash reserves of £430,891, equating to approximately 5 months operating costs. This is slightly higher than our minimum reserve policy reflecting the timing of annual membership fees

## Principal Funding Sources and Expenditure

Income is derived from membership fees, donations, wedding fees, and education fees.

Expenditure has been on religious services and provision, building maintenance, education and social programmes.

## Investment Policy and Objectives

The present investment policy is to target long-term capital growth. The investment funds were managed by JP Morgan throughout the period. The Investment Committee, which is a sub-committee of the Finance Committee, monitors performance and meets the manager a minimum of once a year to agree objectives and asset allocation and discuss performance.

The majority of the investment fund is invested into one overall fund managed by JP Morgan. The fund has benchmark asset allocations and is invested into underlying funds using the benchmark as a guide to asset allocation. This provides diversity both by manager and across different asset classes.

The performance of the investment funds during the 2015-16 year of management are set out below:

	2016	2015
	£	£
Unrealised market gain/(losses) on investments	(67,297)	200,651
Realised losses on investments	(4,665)	(125,080)
Net gain/(losses) on investments	(71,962)	75,571
Investment income	16,346	5,814
Investment management costs	--	(120)
	(55,616)	81,265

The majority of the realised losses on investments relate to hedging of exposure to foreign currency movements on the underlying investments. The offsetting gain from foreign currency movements on the investments is part of the unrealised market gain on investments.

## Auditors

H W Fisher & Company were appointed as auditors for 2016 in accordance with the provisions of the Companies Act.

## Disclosure of Information to Auditors

Each of the directors 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 Directors/Trustees are aware of such information.

On behalf of the Directors/Trustees:

Ian Green

Chairman

Dated.....

27/6/16

# **THE NEW LONDON SYNAGOGUE**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 29 FEBRUARY 2016***

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The Council Members, who are also the directors of The New London 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 Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Council Members 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 charity will continue in operation.

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



# THE NEW LONDON SYNAGOGUE

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE NEW LONDON SYNAGOGUE

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We have audited the financial statements of The New London Synagogue for the year ended 29 February 2016 set out on pages 7 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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

#### **Respective responsibilities of Council Members and auditors**

As explained more fully in the statement of Council Members' responsibilities set out on pages 1 - 3, the Council Members, who are also the directors of The New London Synagogue for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

#### **Scope of the audit of the accounts**

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

#### **Opinion on accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 29 February 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Council Members' Report for the financial year for which the accounts are prepared is consistent with the accounts.

# THE NEW LONDON SYNAGOGUE

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE NEW LONDON SYNAGOGUE

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

We have nothing to report in respect of the following matters where 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Julian Challis (Senior Statutory Auditor)**

**for and on behalf of H W Fisher & Company**

**Chartered Accountants**

**Statutory Auditor**

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

5/7/2016

# THE NEW LONDON SYNAGOGUE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2016 £	Total 2015 £
<b><u>Income from:</u></b>						
Voluntary income	3	532,157	-	32,790	564,947	528,518
Charitable activities	4	116,443	-	-	116,443	112,302
Other trading activities	5	25,854	-	-	25,854	230,648
Investments	6	4,943	16,346	-	21,289	12,468
<b>Total income</b>		<b>679,397</b>	<b>16,346</b>	<b>32,790</b>	<b>728,533</b>	<b>883,936</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	51,863	-	-	51,863	94,411
<b><u>Charitable activities</u></b>						
Religious and Synagogue activities	8	358,818	28,097	78,088	465,003	478,600
Education	8	207,648	-	-	207,648	221,183
<b>Total charitable expenditure</b>		<b>566,466</b>	<b>28,097</b>	<b>78,088</b>	<b>672,651</b>	<b>699,783</b>
<b>Total resources expended</b>		<b>618,329</b>	<b>28,097</b>	<b>78,088</b>	<b>724,514</b>	<b>794,194</b>
Net gains on investments	12	-	(71,962)	-	(71,962)	75,571
<b>Net incoming/(outgoing) resources</b>		<b>61,068</b>	<b>(83,713)</b>	<b>(45,298)</b>	<b>(67,943)</b>	<b>165,313</b>
<b>Other recognised gains and losses</b>		<b>-</b>	<b>11,596</b>	<b>-</b>	<b>11,596</b>	<b>-</b>
<b>Net movement in funds</b>		<b>61,068</b>	<b>(72,117)</b>	<b>(45,298)</b>	<b>(56,347)</b>	<b>165,313</b>
Fund balances at 1 March 2015		277,772	2,385,872	127,038	2,790,682	2,625,369
<b>Fund balances at 29 February 2016</b>		<b>338,840</b>	<b>2,313,755</b>	<b>81,740</b>	<b>2,734,335</b>	<b>2,790,682</b>

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

# THE NEW LONDON SYNAGOGUE

## BALANCE SHEET

AS AT 29 FEBRUARY 2016

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	13		1		1
Tangible assets	14		1,257,990		1,303,053
Investments	15		1,108,466		1,152,486
			<u>2,366,457</u>		<u>2,455,540</u>
<b>Current assets</b>					
Debtors	17	23,151		8,886	
Cash at bank and in hand		430,891		416,155	
			<u>454,042</u>		<u>425,041</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>(86,164)</u>		<u>(89,899)</u>	
Net current assets			<u>367,878</u>		<u>335,142</u>
<b>Total assets less current liabilities</b>			<u><u>2,734,335</u></u>		<u><u>2,790,682</u></u>
<b>Income funds</b>					
Restricted funds	19		81,740		127,038
<u>Unrestricted funds</u>					
Designated funds	20	2,313,755		2,385,872	
General unrestricted funds		338,840		277,772	
			<u>2,652,595</u>		<u>2,663,644</u>
			<u><u>2,734,335</u></u>		<u><u>2,790,682</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27/6/16 and are signed on its behalf by:

  
 Ian Green  
 Trustee

Company Registration No. 07030491

# THE NEW LONDON SYNAGOGUE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 29 FEBRUARY 2016

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	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		10,394		149,044
<b>Investing activities</b>					
Purchase of tangible fixed assets		(601)		(5,035)	
Purchase of fixed asset investments		(16,346)		(1,212)	
Proceeds on disposal of fixed asset investments		-		(3,349)	
Interest received		21,289		12,468	
<b>Net cash generated from investing activities</b>			4,342		2,872
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			14,736		151,916
Cash and cash equivalents at beginning of year			416,155		264,239
<b>Cash and cash equivalents at end of year</b>			430,891		416,155

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# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 29 FEBRUARY 2016

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#### 1 Accounting policies

##### Company information

The New London Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is 33 Abbey Road, London, United Kingdom, NW8 0AT.

##### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

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

These accounts for the year ended 29 February 2016 are the first accounts of The New London Synagogue prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 March 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

##### 1.2 Going concern

At the time of approving the accounts, the Council Members have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Council Members' continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts (see Note 19).

##### 1.4 Incoming resources

Income is recognised when the charity 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. 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 on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Company to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. VAT input tax that cannot be reclaimed is included in the cost to which it relates.

Support costs have been allocated between charitable activities. Costs common to more than one area have been split between the two activities based on the percentage of direct expenditure.

#### 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 are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land & buildings - 29 Goldhurst Terrace	2% straight line per annum
Freehold land & buildings - Synagogue	2% straight line per annum
Fixtures, fittings & equipment	25% reducing balance 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.

Heritage assets have not been recognised in the accounts, as significant costs are involved in the reconstruction or analysis of past accounting records, which are onerous compared with any additional benefit derived from recognising these items in the balance sheet.

Heritage assets are assets that are of historical, or religious importance that are held to further the preservation, conservation and educational objectives of the Synagogue and contribute to culture and education. These assets are integral to the activities of the Synagogue and are unique in terms of their religious and historic significance.

All investments are included in the balance sheet at their market value. Any unrealised and realised gains or losses are shown on the face of the Statement of Financial Activities.

#### 1.7 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.

#### 1.8 Financial instruments

The Company 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 when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts 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 trade and other receivables 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.

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.9 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 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.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the council members 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.

### 3 Voluntary income

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
Donations and gifts	126,241	32,790	159,031	113,860
Membership fees	405,916	-	405,916	414,658
	<u>532,157</u>	<u>32,790</u>	<u>564,947</u>	<u>528,518</u>
<b>For the year ended 28 February 2015</b>	<u>472,694</u>	<u>55,824</u>		<u>528,518</u>



# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 4 Charitable activities

	Religious and Synagogue activities £	Education £	Total £	Total 2015 £
Income, fees and donations	55,262	61,181	116,443	112,302

Religious and Synagogue activities include festival and high holy days income, wedding fees and kiddush donations.

Education income includes adult education income, Cheder and conversion course fees.

### 5 Other trading activities

	Unrestricted funds general £	Restricted funds £	Total 2016 £	Total 2015 £
Fundraising and other income	25,854	-	25,854	230,648
<b>For the year ended 28 February 2015</b>	<b>76,691</b>	<b>153,957</b>		<b>230,648</b>

### 6 Investments

	Unrestricted funds general £	Unrestricted funds designated £	Total 2016 £	Total 2015 £
Rental income	3,470	-	3,470	6,185
Income from listed investments	-	16,346	16,346	5,814
Interest receivable	1,473	-	1,473	469
	4,943	16,346	21,289	12,468
<b>For the year ended 28 February 2015</b>	<b>12,468</b>	<b>-</b>		<b>12,468</b>

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

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7 Raising funds

	2016	2015
	£	£
<u>Fundraising</u>		
Other fundraising costs	4,471	47,964
Staff costs	47,392	46,327
	<hr/>	<hr/>
Fundraising	51,863	94,291
	<hr/>	<hr/>
<u>Investment management</u>	-	120
	<hr/>	<hr/>
	51,863	94,411
	<hr/> <hr/>	<hr/> <hr/>

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 8 Charitable activities

	Religious and Synagogue activities	Education	Total	Total 2015
	£	£	£	£
Staff costs	123,167	57,143	180,310	178,315
Cheder expenses	-	3,491	3,491	6,884
L'Chaim conversion programme	-	27,859	27,859	32,128
Other educational expenses	-	2,831	2,831	88
Synagogue services	27,513	-	27,513	23,426
High holydays and festivals	10,934	-	10,934	14,355
The Assembly of Masorti Synagogues	31,951	-	31,951	37,047
	<u>193,565</u>	<u>91,324</u>	<u>284,889</u>	<u>292,243</u>
Share of support costs (see note 9)	257,201	109,312	366,513	386,005
Share of governance costs (see note 9)	14,237	7,012	21,249	21,535
	<u>465,003</u>	<u>207,648</u>	<u>672,651</u>	<u>699,783</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	358,818	207,648	566,466	
Unrestricted funds - designated	28,097	-	28,097	
Restricted funds	78,088	-	78,088	
	<u>465,003</u>	<u>207,648</u>	<u>672,651</u>	
<b>For the year ended 28 February 2015</b>				
Unrestricted funds - general	325,294	218,884		544,178
Unrestricted funds - designated	56,194	-		56,194
Restricted funds	97,112	2,299		99,411
	<u>478,600</u>	<u>221,183</u>		<u>699,783</u>

10% of support wages have been allocated to governance costs and an appropriate proportion of the relevant staff costs have been apportioned to fundraising.

For analysis of staff costs, see Note 9.

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

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9 Support costs	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Staff costs	95,296	10,588	105,884	107,901	10% to Governance
Depreciation	45,664	-	45,664	54,629	
Premises costs	193,489	-	193,489	192,663	
Office and administrative costs	32,064	-	32,064	41,602	
Audit fees	-	9,870	9,870	9,265	Governance
Legal and professional	-	791	791	1,480	Governance
	<u>366,513</u>	<u>21,249</u>	<u>387,762</u>	<u>407,540</u>	
Analysed between					
Charitable activities	<u>366,513</u>	<u>21,249</u>	<u>387,762</u>	<u>407,540</u>	

Support costs have been apportioned between charitable activities in the same proportions as the direct costs were divided between these activities.

### 10 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2016**

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### 11 Employees

#### Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Religious	2	2
Admin	4	4
Education	8	8
	<u>14</u>	<u>14</u>

#### Employment costs

	2016 £	2015 £
Wages and salaries	305,175	305,738
Social security costs	26,211	25,288
Other pension costs	2,200	1,517
	<u>333,586</u>	<u>332,543</u>

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

	2016 Number	2015 Number
£80,001 - £90,000	<u>2</u>	<u>1</u>

None of the employees whose emoluments exceed £60,000 (2015: none) have retirement benefits accruing under defined benefit pension schemes.

### 12 Net gains/(losses) on investments

	2016 £	2015 £
Revaluation of investments	(67,297)	200,651
Gain/loss on sale of investments	(4,665)	(125,080)
	<u>(71,962)</u>	<u>75,571</u>

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 13 Intangible fixed assets

	Indefinite Access £
<b>Cost</b>	
At 1 March 2015 and 29 February 2016	5,000
<b>Amortisation and impairment</b>	
At 1 March 2015 and 29 February 2016	4,999
<b>Carrying amount</b>	
At 29 February 2016	1
At 28 February 2015	1

### 14 Tangible fixed assets

	Freehold land & buildings - 29 Goldhurst Terrace	Freehold land & buildings - Synagogue	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 March 2015	1,250,000	154,841	243,561	1,648,402
Additions	-	-	601	601
At 29 February 2016	1,250,000	154,841	244,162	1,649,003
<b>Depreciation and impairment</b>				
At 1 March 2015	125,000	46,455	173,894	345,349
Depreciation charged in the year	25,000	3,097	17,567	45,664
At 29 February 2016	150,000	49,552	191,461	391,013
<b>Carrying amount</b>				
At 29 February 2016	1,100,000	105,289	52,701	1,257,990
At 28 February 2015	1,125,000	108,386	69,667	1,303,053

The Company has a 50.94% share of the freehold property situated at 29 Goldhurst Terrace, London NW6 3HB. The other 49.06% share of the freehold property is held by Rabbi Jeremy Gordon and Mrs Josephine Gordon.

The property is subject to a mortgage, the entire responsibility for which rests (as between the Company and Rabbi and Mrs Gordon) exclusively with Rabbi and Mrs Gordon, who have undertaken to keep the Company fully indemnified.

The title to the Synagogue building at 33 Abbey Road is held by Flanprop Co. Ltd, as a nominee on behalf of The New London Synagogue. This is a dormant company, of which Emily Landau and Stephen Rosefield are the sole directors and shareholders, as nominees for the Synagogue, and was set up specifically to hold the property on behalf of the Synagogue.

Heritage assets held by the charity include silver, Sifrei Torah and other assets of religious significance. These are not valued or included in the accounts (see Note 1.6).

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 15 Fixed asset investments

	2016	2015
	£	£
Listed investments	1,105,942	1,148,128
Cash	1,515	3,349
HM Treasury	1,009	1,009
	<u>1,108,466</u>	<u>1,152,486</u>
	<u>1,108,466</u>	<u>1,152,486</u>
Listed investments included above:	2016	2015
	£	£
Listed investments market value	<u>1,105,942</u>	<u>1,148,128</u>

### Movements in fixed asset investments

	HM Treasury	Managed Funds	Cash	Total
	£	£	£	£
<b>Market value</b>				
At 28 February 2015	1,009	1,148,128	3,349	1,152,486
Additions	-	234,247	(217,901)	16,346
Valuation changes	-	(67,297)	-	(67,297)
Foreign exchange gains	-	-	11,596	11,596
Disposals	-	(209,136)	204,471	(4,665)
At 29 February 2016	<u>1,009</u>	<u>1,105,942</u>	<u>1,515</u>	<u>1,108,466</u>
<b>Carrying amount</b>				
At 29 February 2016	<u>1,009</u>	<u>1,105,942</u>	<u>1,515</u>	<u>1,108,466</u>
At 28 February 2015	<u>1,009</u>	<u>1,148,128</u>	<u>3,349</u>	<u>1,152,486</u>

£1,099,017 of the fund is invested in J.P. Morgan's access balanced funds. £6,924 of the fund is invested in J.P. Morgan's global access hedge fund.

### 16 Financial instruments

	2016	2015
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,709	5,809
Equity instruments measured at market value	1,107,457	1,151,477
	<u>1,109,166</u>	<u>1,157,286</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>86,164</u>	<u>82,288</u>

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 17 Debtors

	2016	2015
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	700	4,800
Prepayments and accrued income	22,451	4,086
	<u>23,151</u>	<u>8,886</u>

### 18 Creditors: amounts falling due within one year

	2016	2015
	£	£
Other taxation and social security	-	7,611
Trade creditors	3,431	19,430
Other creditors	28,994	21,299
Accruals and deferred income	53,739	41,559
	<u>86,164</u>	<u>89,899</u>



# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 March 2015	Movement in funds		Balance at 29 February 2016
		Incoming resources	Resources expended	
	£	£	£	£
Refurbishment	121,027	14,941	(63,067)	72,901
Rabbi PA	-	5,000	(5,000)	-
Education	-	2,375	-	2,375
Security	1,717	-	(1,717)	-
Services	1,289	1,087	(2,084)	292
Rabbi's Discretionary Fund	3,001	4,669	(5,331)	2,339
Cantor's Discretionary Fund	4	4,518	(889)	3,633
Hardship funds	-	200	-	200
	<u>127,038</u>	<u>32,790</u>	<u>(78,088)</u>	<u>81,740</u>

#### Refurbishment Fund

The balance at year end is to be used for the refurbishment and upkeep of the Synagogue at 33 Abbey Road, and also includes monies raised through the Abbey Road Studios event.

#### Rabbi PA Fund

These funds arise from a donation of £25,000, and are to be used for part time secretarial services for the Rabbi.

#### Education Fund

These funds are to provide education for the whole community, including Cheder, L'Chaim conversion courses and adult education.

#### Security Fund

These funds are to provide additional CCTV and security systems for the Synagogue.

#### Services Fund

These funds are to further the programmes of the Synagogue, including Shabbat and festival activities, and maintenance of Sifrei Torah and silver.

#### Rabbi's Discretionary Fund

These funds are donated to the Synagogue for the Rabbi to disburse at his discretion.

#### Cantor's Discretionary Fund

These funds are donated to the Synagogue for the Cantor to disburse at his discretion.

#### Hardship funds

These represent donations to assist those in need.

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 29 FEBRUARY 2016

#### 20 Designated funds

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

	Movement in funds				Balance at 29 February 2016 £
	Balance at 1 March 2015 £	Incoming resources £	Resources expended £	Investments gains/losses £	
Buildings fund	1,233,386	-	(28,097)	-	1,205,289
Investments fund	1,152,486	16,346	-	(60,366)	1,108,466
	<u>2,385,872</u>	<u>16,346</u>	<u>(28,097)</u>	<u>(60,366)</u>	<u>2,313,755</u>

#### Buildings Fund

These funds relate to the net book value of the Synagogue building and the property at 29 Goldhurst Terrace.

#### Investments Fund

These funds have been designated as investments of the Synagogue.

#### 21 Analysis of net assets between funds

	Unrestricted income funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 29 February 2016 are represented by:				
Intangible fixed assets	1	-	-	1
Tangible assets	52,701	1,205,289	-	1,257,990
Investments		1,108,466	-	1,108,466
Current assets/(liabilities)	286,138	-	81,740	367,878
	<u>338,840</u>	<u>2,313,755</u>	<u>81,740</u>	<u>2,734,335</u>

#### 22 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	2,808	2,808
Between two and five years	3,813	6,621
	<u>6,621</u>	<u>9,429</u>

# THE NEW LONDON SYNAGOGUE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2016

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23 Cash generated from operations	2016 £	2015 £
(Deficit)/surplus for the year	(67,943)	165,313
Adjustments for:		
Investment income recognised in profit or loss	(21,289)	(12,468)
Loss on disposal of investments	4,665	125,080
Fair value gains and losses on investments	67,297	(200,651)
Depreciation and impairment of tangible fixed assets	45,664	54,629
Movements in working capital:		
(Increase)/decrease in debtors	(14,265)	8,718
(Decrease)/increase in creditors	(3,735)	8,423
<b>Cash generated from operations</b>	<u>10,394</u>	<u>149,044</u>