
FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

FEDERATION OF SYNAGOGUES

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FEDERATION OF SYNAGOGUES

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2014

Trustees A. S. Cohen, President
J. Weg, Vice President
D. Black, Vice President
L. Newmark, Treasurer
A. Jacobs, Treasurer
S. Gertner, Burial Society Treasurer
M. Winegarten, Burial Society Treasurer

Charity registered number 254951

Principal office 65 Watford Way
London
NW4 3AQ

Honorary Life President A. Cohen

Chief executive officer Rabbi A. Lazarus

Independent auditors Landau Morley LLP
York House
Empire Way
Wembley
Middlesex
HA9 0FQ

Bankers HSBC
165 Fleet Street
London
EC4A 2DY

Solicitors Bircham Dyson Bell
50 Broadway
London
SW1H 0BL

Fladgate LLP
25 North Row
London
W1K 6DJ

FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st December 2014. 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 Constitution, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

LEGAL AND ADMINISTRATIVE DETAILS

Legal and administrative details set out on the information page form part of this Report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Federation of Synagogues is an unincorporated association governed by its Constitution, which is updated from time to time.

Under the framework set out in the 2013 Laws, the organisational structure is headed by seven Trustees. The Trustees are elected by the Federation Council for a three-year term.

The Council consists of delegates elected by Constituent and Affiliated synagogues. In addition, up to six Elders can be appointed. The number of delegates allowed for Constituent synagogues depends on the size of membership in that for every 25 male members one delegate is allowed with a maximum of 7 elected delegates per synagogue. In addition, the President, two Wardens and a Financial Representative of each Constituent synagogue are also members of Council ex-officio. Similarly, up to 7 women for each constituent synagogue can be appointed to serve on Council. Affiliated synagogues are represented by their President and by up to 3 male and 3 female representatives.

Trustees can also co-opt not more than 10 other Federation members to the Council with a view to broadening the pool of skills and expertise available to them.

The distinction between a Constituent and an Affiliated synagogue is set out in the Constitution. Normally, a Constituent synagogue is fully owned by the Federation, its employees are paid through the Head Office payroll, its budgets have to be approved by Head Office and all items of income and expenditure pass through the Head Office accounts department. An Affiliated synagogue is where either all or some of its members are members of the Federation Burial Society. The premises are not necessarily owned by the Federation and the only financial transactions are the payment by the Affiliated synagogue to the Federation Head Office of Federation dues. All other items of income and expenditure are the responsibility of the Affiliated synagogue.

The following Trustees were elected (after a ballot was required for all positions other than that of President).

President	Andrew S Cohen
Vice President	Jacob Weg
Vice President	Dov Black
Treasurer	Leon Newmark
Treasurer	Adam Jacobs
Burial Society Treasurer	Steven Gertner
Burial Society Treasurer	Moshe Winegarten

There are four Council meetings each year and, under the new Laws, the Council of the Federation acts as a consultative body. The Trustees have an obligation to seek the views of Council on matters of special business, defined as:

- (a) the level of Federation dues payable;
- (b) the admission of new synagogues to and the disaffiliation of existing synagogues from the Federation;
- (c) the expenditure of a sum in excess of £250,000 (except in a situation which, in the reasonable opinion of the Trustees, is an emergency);
- (d) the appointment or dismissal of Federation Beth Din Dayanim; or

FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

- (e) the continuing operations of the Beth Din;
- (f) the continuing operations of any trading subsidiary of the Federation.

The Council has the following core powers:

- 1) To elect and remove the Trustees
- 2) To propose and vote on amendments to the Constitution

On the operational side, the Trustees delegate the day-to-day responsibility for organising the charity's activities to a Chief Executive and Head Office staff. Dr Eli Kienwald occupied the position of Chief Executive until the end of July 2014 with Rabbi Avi Lazarus succeeding him on 1st September 2014.

The charity has two trading subsidiaries, Kosher Foods Supervisory Services Limited and Watford Way Investments Limited.

Kosher Foods Supervisory Services Limited provides supervised Kosher food production in the UK and overseas. It had a turnover of £768,748 (£792,785 in 2013) with a profit for the year of £11,485 (2013: £49,238), as shown at notes 3 & 7 of the Financial Statements. Trading conditions remained difficult throughout the year but the Directors believe that the performance of this subsidiary can improve still further.

Watford Way Investments Limited holds property for investment purposes which was financed out of the proceeds from the sale of West Hackney synagogue. The subsidiary commenced trading on the 21st December 2006. The company owns a commercial property in Coventry which includes two office suites, both of which remained occupied for the whole of 2014. Watford Way's result for the year was nil before re-valuation. The Trustees believe that the property in Coventry remains a good medium to long term investment.

Risk management

The Trustees have identified the major risks to which the charity is exposed and are satisfied that systems are in place to manage those risks. Normally, Federation constituent Synagogues are given the flexibility to manage their own affairs, provided that they achieve a neutral budget or a surplus at the end of each year.

OBJECTIVES AND ACTIVITIES

A summary of the objects of the charity as set out in the governing document:

The FOS is a Synagogal body and as such provides places of worship, facilities for education and orthodox burial for its members. It maintains a Beth Din and provides Rabbis and Ministers. Through its subsidiary, the charity is involved in the supervision and provision of food, serving the Jewish public by facilitating the provision of Kosher food for retail outlets and restaurants.

The vast majority of the activity of the Federation is at local community level. Federation synagogues provide a highly valued and quality service to their members. Federation synagogues are friendly, warm and welcoming to both members and guests. The structure and atmosphere in a Federation synagogue is designed to enable members to achieve their religious potential. The small size of membership of a Federation synagogue enables the Rabbi to know most of the congregants and to be able to have a personal influence on their religious growth. Federation synagogues arrange a large number of education and social programmes and members are given every opportunity not only to participate but also volunteer in the organisation of synagogal activities.

Each synagogue reports on its own activities to its members on an annual basis at its Annual General Meeting as well as through websites and magazines. The Federation of Synagogues recognises the importance of sharing the responsibility for the organisation with Head Office and a level of commitment by local boards of management is extremely high.

FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

Grant-making

During the year the charity awarded grants of £15,000 to educational and charitable bodies as well as acting as an enabling body for its members making donations, through an annual appeal, to Chai Cancer Care, British Friends of Israeli War Disabled and Camp Simcha. The Federation does not charge for this service.

Direct grants were made from unrestricted funds. The Trustees' policy is to award grants on the basis of educational, religious or charitable need, subject to the general objects of the charity.

ACHIEVEMENTS AND PERFORMANCE

In 2014 a number of key events took place at the Federation. For the purpose of this report, these have been grouped under the headings of Communities, Burial Society, and Head Office.

Communities

A significant proportion of the Federation's assets are vested in its property portfolio, the synagogues, cemeteries, residential properties and investment properties. The programme of repairs and refurbishments which began a few years ago has continued.

In 2014, two of the Federation's communities relocated from their respective homes of over 50 years to new premises in areas more suitable for their membership. Ilford Federation moved from Coventry Road to Beehive Lane where the Federation facilitated the refurbishment of a Jewish Care day centre into a multi-purpose synagogue and communal facility. Services in the new synagogue began in March and the official opening, in the presence of many local dignitaries, took place in September.

Finchley Central, which had for many years been using the Pardes House School as a temporary Sabbath location, also relocated to a new home. The Redbourne Avenue premises was sold to the Jewish charity Trainee-Traide and a locally listed well known landmark, The Old School House, was acquired. The community started using the new premises in November and intend to completely refurbish it in the next year using funds donated from the legacy of a member recently deceased.

In June, Shomrei Hadath appointed Rabbi Moshe and Rebbetzen Liat Mayerfeld as their new rabbinic couple.

The Federation continues to encourage new member growth and approaches were received from a number of young and growing communities during the year. At the final Federation Council meeting of 2014, Ohel Torah, a thriving community in Manchester, presented their request to join the Federation as a constituent member. The proposal gained the support of Council.

Burial Society

Care of our cemeteries is of paramount importance to the Federation and the Burial Society Treasurers and staff have given high priority to this aspect of their service. Further improvements have been carried out at both our cemeteries and a number of formal and informal commendations have been received.

A significant milestone for the Federation was achieved in October with the acquisition of a new cemetery in Edgwarebury Lane. The 10.7 acre site has consent for cemetery use however the Federation will be making a further application to Barnet Council, requesting a few changes to that permission that will facilitate Orthodox Jewish use. Works are required to make the cemetery functional, and it is projected to be ready for use during 2016. Members of the Federation have long been waiting for such a facility in North West London and the Trustees are pleased to have fulfilled this pledge.

FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

Head Office

The provision to constituent, and in some cases, affiliated synagogues of services which members would have found difficult or more costly to procure themselves was a Head Office core activity. Every one of our constituent synagogues, to a greater or lesser extent, was provided with the level of support that they needed, be it legal, financial or relating to employment issues.

As mentioned earlier, Dr Eli Kienwald, who had been the Chief Executive since 2008, retired in July. Rabbi Avi Lazarus, who had previously worked for the United Synagogue and SEED, was recruited as Dr Kienwald's successor and took up the position in September.

In the latter part of 2014 two appointments were made at Head Office:

Rabbi Josh Bennett was recruited to the role of Commercial Development Manager for KFSS with the goal of creating greater efficiencies and expanding the Federation's factory licensing.

Judy Silkoff was appointed in the role of Communications and Projects Manager. This role will be geared to improving our internal communications between Head Office and the Federation communities as well our external PR and marketing. Mrs Silkoff will manage all Federation branding, publications, the development of a new website as well as digital marketing and services.

In pursuance of its stated object of establishing stronger connections between Head Office and the member synagogues, during the year the Federation of Synagogues continued to publish a weekly pamphlet, with contributions from Federation Rabbis and others, which is distributed to all its synagogues and is highly valued by its members. The contents of the pamphlet relate to the weekly biblical reading and to Jewish ethics. Two editions of the Federation journal, Hamaor, were published during the year, to coincide with Passover and the Jewish New Year.

FINANCIAL REVIEW

The financial position of the charity and its subsidiaries was strong during the year. Assets available were sufficient to fulfil its obligations and permit the charity to continue in operation in the medium term, given the continued support of the Constituent synagogues.

The group shared net assets of £15,369,924, up from £12,824,722 in 2013. The Federation enjoyed an operating surplus of £2,305,133 during the year (2013: £748,301).

The income from the gravel extraction at Rainham was £183,099 during the year (up from £176,808 in 2013). As reported last year, income from this source is coming to an end, with the lease expiring in 2017, the last two/three years of which will be used by the lessee to reinstate the land in accordance with the requirements of the lease. The Treasurers' objective is to manage the organisation's finances so that the current level of activity can be maintained without relying on mineral royalties.

Policy on reserves

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level which provides sufficient resources to fund the charitable commitments and the cost of management and administration.

Investment policy and its objectives

There are no restrictions on the power of the charity to invest. The trust deed authorises the trustees to make and hold investments using the general funds of the charity.

FEDERATION OF SYNAGOGUES

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

PUBLIC BENEFIT

The trustees confirm that they have had due regard to the guidance published by the Charity Commission. The benefit to the public is manifestly demonstrated by the achievements contained in this report.

PLANS FOR FUTURE PERIODS

At the Council Meeting in March, the Trustees presented their goal: "To reposition the Federation as the powerhouse of independent Jewish orthodoxy in England". Ultimately this would involve increasing the number of synagogues and members that are part of the Federation but in order to achieve this, the following strategic considerations would be prioritised:

- Increasing the income and profit from KFSS. This can be achieved by strengthening the KF brand in the UK and focusing on the licensing of manufactured products.
- The recruitment of a PR and Marketing professional to manage a brand review, the creation of a new website, digital marketing and publications. Also to improve internal and external communications.
- The provision of a new burial site closer to the areas of Jewish population growth in North-West London
- Realisation of the Federation's capital assets to invest in new communities
- Introduction of a cloud-based accounting package to enable transparency and enhanced budgets
- Recruitment of a third Dayan to complete the Beth Din
- Strengthening and modernisation of I.T infrastructure

Progress has been made in many areas already as mentioned earlier in the report and the Trustees aim to continue with this programme in 2015.

These Financial Statements show that the organisation has strength in depth and, throughout the year under review, the Trustees together with the Chief Executive, have continued to exercise due diligence in order to reduce overheads and counter the negative effects of the difficult economic conditions. It is hoped that in the coming year, the communities' migration onto a cloud-based accounting platform will further enhance the Federation's position.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

FEDERATION OF SYNAGOGUES

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

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

This report was approved by the Trustees on 24 September 2015 and signed on their behalf by:

A. S. Cohen, President

A. Jacobs, Treasurer

L. Newmark, Treasurer

FEDERATION OF SYNAGOGUES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FEDERATION OF SYNAGOGUES

We have audited the financial statements of Federation of Synagogues for the year ended 31 December 2014 set out on pages 10 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 151 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements 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 FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2014 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

FEDERATION OF SYNAGOGUES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FEDERATION OF SYNAGOGUES

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Landau Morley LLP

York House
Empire Way
Wembley
Middlesex
HA9 0FQ
25 September 2015

Landau Morley LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FEDERATION OF SYNAGOGUES

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	711,306	180,387	891,693	1,064,741
Activities for generating funds	3	1,049,097	-	1,049,097	1,065,343
Investment income	4	127,190	-	127,190	73,325
Incoming resources from charitable activities	5	572,739	-	572,739	620,833
Other incoming resources	6	1,996,514	-	1,996,514	261,217
TOTAL INCOMING RESOURCES		4,456,846	180,387	4,637,233	3,085,459
RESOURCES EXPENDED					
Costs of generating funds	7	771,468	-	771,468	758,478
Charitable activities	8	1,435,267	-	1,435,267	1,442,729
Governance costs	9	125,365	-	125,365	135,951
TOTAL RESOURCES EXPENDED	12	2,332,100	-	2,332,100	2,337,158
NET INCOMING RESOURCES BEFORE REVALUATIONS		2,124,746	180,387	2,305,133	748,301
Gains and losses on revaluations of investment assets		225,000	15,069	240,069	66,158
NET MOVEMENT IN FUNDS FOR THE YEAR		2,349,746	195,456	2,545,202	814,459
<i>Total funds at 1 January 2014</i>		<i>10,825,192</i>	<i>1,999,530</i>	<i>12,824,722</i>	<i>12,010,263</i>
TOTAL FUNDS AT 31 DECEMBER 2014		13,174,938	2,194,986	15,369,924	12,824,722

All activities relate to continuing operations.

The notes on pages 14 to 30 form part of these financial statements.

FEDERATION OF SYNAGOGUES

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	17		15,064,988		9,885,917
Investment property	18		1,000,000		775,000
Investments	19		5,452		718,592
			16,070,440		11,379,509
CURRENT ASSETS					
Stocks		-		275,000	
Debtors	20	348,410		395,462	
Cash at bank and in hand		1,216,595		1,754,575	
		1,565,005		2,425,037	
CREDITORS: amounts falling due within one year	21	(696,382)		(710,584)	
NET CURRENT ASSETS			868,623		1,714,453
TOTAL ASSETS LESS CURRENT LIABILITIES			16,939,063		13,093,962
CREDITORS: amounts falling due after more than one year	22		(1,569,139)		(269,240)
NET ASSETS			15,369,924		12,824,722
CHARITY FUNDS					
Restricted funds	23		2,194,986		1,999,530
Unrestricted funds	23		13,174,938		10,825,192
TOTAL FUNDS			15,369,924		12,824,722

The financial statements were approved by the Trustees on 24 September 2015 and signed on their behalf, by:

A. S. Cohen, President

L. Newmark, Treasurer

The notes on pages 14 to 30 form part of these financial statements.

FEDERATION OF SYNAGOGUES

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	17		15,057,073		9,880,398
Investments	19		5,452		718,592
			<u>15,062,525</u>		<u>10,598,990</u>
CURRENT ASSETS					
Stocks		-		275,000	
Debtors	20	1,985,992		2,007,782	
Cash at bank and in hand		1,134,495		1,711,515	
			<u>3,120,487</u>	<u>3,994,297</u>	
CREDITORS: amounts falling due within one year	21		<u>(558,312)</u>	<u>(577,203)</u>	
NET CURRENT ASSETS			<u>2,562,175</u>		<u>3,417,094</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,624,700</u>		<u>14,016,084</u>
CREDITORS: amounts falling due after more than one year	22		<u>(2,222,091)</u>	<u>(1,112,192)</u>	
NET ASSETS			<u><u>15,402,609</u></u>		<u><u>12,903,892</u></u>
CHARITY FUNDS					
Restricted funds			2,194,986		1,999,530
Unrestricted funds			13,207,623		10,904,362
TOTAL FUNDS			<u><u>15,402,609</u></u>		<u><u>12,903,892</u></u>

The financial statements were approved by the Trustees on 24 September 2015 and signed on their behalf, by:

A. S. Cohen, President

L. Newmark, Treasurer

FEDERATION OF SYNAGOGUES

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	25	636,717	157,156
Capital expenditure and financial investment	26	(3,224,015)	(56,656)
Acquisitions and disposals	26	728,209	-
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(1,859,089)	100,500
Financing	26	1,321,109	(8,585)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(537,980)	91,915

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/(DEBT)
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
(Decrease)/Increase in cash in the year	(537,980)	91,915
Cash outflow from decrease in debt	(1,321,109)	8,585
MOVEMENT IN NET FUNDS/(DEBT) IN THE YEAR	(1,859,089)	100,500
Net funds at 1 January 2014	1,476,155	1,375,655
NET (DEBT)/FUNDS AT 31 DECEMBER 2014	(382,934)	1,476,155

FEDERATION OF SYNAGOGUES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005 and applicable accounting standards.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by paragraph 397 of the SORP.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Designated Synagogue Funds

These represent locally raised and administered funds which are held for the benefit of the individual synagogues.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. All incoming resources comprise gross income on a receivable basis from membership contributions, gifts, donations, premises hire, licence fees, interest and rent, Rabbinical court fees and sundry other income, other than transfer payments from closed synagogues, which are treated as deferred income over an agreed period.

Members subscriptions to secure burial rights are accounted for as income on a receivable basis. No provision is made for the future cost of providing the funerals.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

FEDERATION OF SYNAGOGUES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.5 Affiliated synagogues

The Charity does not exercise day to day control of Affiliated Synagogues and, therefore, the results of these entities, their assets and liabilities are not consolidated.

1.6 Resources expended

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.7 Basis of consolidation

The financial statements consolidate the accounts of Federation of Synagogues and all of its subsidiary undertakings ('subsidiaries').

1.8 Tangible fixed assets and depreciation

No amortisation has been provided on freehold land and buildings and long leaseholds as the assets are kept in good repair and their useful lives and estimated residential values are such that depreciation is not material. Assets are reviewed annually for any impairment. The trustees are of the opinion that the recoverable amount is in excess of the carrying amount.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight line
Equipment and computer software	-	25% straight line

1.9 Investment

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.11 Pensions

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. ACCOUNTING POLICIES (continued)

Contributions in respect of the Charity's defined contributions pension scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Scheme assets are held separately from those of the charity in an independently administered fund.

1.12 Value added tax

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

1.13 Funeral in advance

Funerals in advance represent amounts received to provide funerals in lieu of payment of annual membership fees. Income is recognised when the expenditure for the provision of the funeral is incurred.

1.14 Taxation

The Charity is a registered charity and is, therefore, exempt from taxation on its income to the extent that it is applied for charitable purposes.

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Synagogue membership	352,446	-	352,446	349,492
Other synagogue income including donations	358,860	-	358,860	424,885
Designated synagogue funds	-	180,387	180,387	290,364
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	711,306	180,387	891,693	1,064,741
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Mineral rights receivable	183,099	-	183,099	176,808
Kashrus licensing	768,748	-	768,748	792,785
Investment management	97,250	-	97,250	95,750
	<hr/>	<hr/>	<hr/>	<hr/>
	1,049,097	-	1,049,097	1,065,343
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Rental income	118,327	-	118,327	60,195
Interest receivable	8,863	-	8,863	13,130
	<u>127,190</u>	<u>-</u>	<u>127,190</u>	<u>73,325</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Burial Society	555,671	-	555,671	607,208
Beth Din	17,068	-	17,068	13,625
	<u>572,739</u>	<u>-</u>	<u>572,739</u>	<u>620,833</u>

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Gain on disposal of fixed assets	1,996,514	-	1,996,514	261,217

7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Kashrus licensing	280,441	-	280,441	227,780
Investment management costs	7,455	-	7,455	7,742
Staff costs	483,572	-	483,572	522,956
	<u>771,468</u>	<u>-</u>	<u>771,468</u>	<u>758,478</u>

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Burial Society	414,914	-	414,914	407,528
Beth Din	126,443	-	126,443	113,831
Education	15,000	-	15,000	1,640
Synagogues	878,910	-	878,910	919,730
	<u>1,435,267</u>	<u>-</u>	<u>1,435,267</u>	<u>1,442,729</u>

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	<i>Total 2013 £</i>
Burial Society	231,370	-	183,544	414,914	407,528
Beth Din	95,609	-	30,834	126,443	113,831
Education	-	-	15,000	15,000	1,640
Synagogues	496,795	37,215	344,900	878,910	919,730
	<u>823,774</u>	<u>37,215</u>	<u>574,278</u>	<u>1,435,267</u>	<u>1,442,729</u>

9. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Audit fees	10,410	-	10,410	13,100
Legal and Professional	23,220	-	23,220	41,213
Other costs	33,936	-	33,936	29,273
Wages and salaries	57,799	-	57,799	52,365
	<u>125,365</u>	<u>-</u>	<u>125,365</u>	<u>135,951</u>

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

10. DIRECT COSTS

	Burial Society £	Beth Din £	Education £	Synagogue s £	Total 2014 £	Total 2013 £
Other costs	174,043	25,404	15,000	232,528	446,975	551,058
Staff costs	215,185	86,361	-	392,756	694,302	675,616
Depreciation	-	-	-	37,215	37,215	33,026
	<u>389,228</u>	<u>111,765</u>	<u>15,000</u>	<u>662,499</u>	<u>1,178,492</u>	<u>1,259,700</u>

11. SUPPORT COSTS

	Burial society £	Beth Din £	Synagogue s £	Total 2014 £	Total 2013 £
Other costs	9,501	5,430	112,372	127,303	65,572
Staff costs	16,185	9,248	104,039	129,472	117,457
	<u>25,686</u>	<u>14,678</u>	<u>216,411</u>	<u>256,775</u>	<u>183,029</u>

12. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating funds	483,572	3,994	283,902	771,468	758,478
Costs of generating funds	<u>483,572</u>	<u>3,994</u>	<u>283,902</u>	<u>771,468</u>	<u>758,478</u>
Burial Society	231,370	-	183,544	414,914	407,528
Beth Din	95,609	-	30,834	126,443	113,831
Education	-	-	15,000	15,000	1,640
Synagogues	496,795	37,215	344,900	878,910	919,730
Charitable activities	<u>823,774</u>	<u>37,215</u>	<u>574,278</u>	<u>1,435,267</u>	<u>1,442,729</u>
Governance	<u>57,799</u>	<u>-</u>	<u>67,566</u>	<u>125,365</u>	<u>135,951</u>
	<u>1,365,145</u>	<u>41,209</u>	<u>925,746</u>	<u>2,332,100</u>	<u>2,337,158</u>

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

13. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Burial Society	389,228	25,686	414,914	407,528
Beth Din	111,765	14,678	126,443	113,831
Education	15,000	-	15,000	1,640
Synagogues	662,499	216,411	878,910	919,730
	<u>1,178,492</u>	<u>256,775</u>	<u>1,435,267</u>	<u>1,442,729</u>

14. NET INCOMING RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charitable group	37,215	33,026
Auditors' remuneration (including subsidiaries)	15,705	19,093
	<u>52,920</u>	<u>52,119</u>

During the year, no Trustees received any remuneration (2013 - £NIL).

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

15. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	1,242,154	1,245,742
National Insurance	102,585	101,432
Pension	20,406	21,220
	<u>1,365,145</u>	<u>1,368,394</u>

16. STAFF COSTS

Staff costs were as follows:

Wages and salaries	<u>1,365,145</u>	<u>1,368,394</u>
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FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

16. STAFF COSTS (continued)

The average monthly number of employees during the year was as follows:

	No.	No.
Synagogues	30	29
Burial Society	8	8
Kashrus	22	18
Administration	16	19
	<u>76</u>	<u>74</u>

The number of higher paid employees was:

	No.	No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	1
	<u>1</u>	<u>2</u>

Of the employees whose emoluments exceed £60,000, one (2013: one) has retirement benefits accruing under defined contribution pension schemes, totalling £6,318 (2013: £6,318).

17. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and computer equipment £	Total £
Cost				
At 1 January 2014	9,779,166	40,544	240,483	10,060,193
Additions	5,766,827	11,150	9,064	5,787,041
Disposals	(561,261)	(16,500)	-	(577,761)
At 31 December 2014	<u>14,984,732</u>	<u>35,194</u>	<u>249,547</u>	<u>15,269,473</u>
Depreciation				
At 1 January 2014	-	40,544	133,732	174,276
Charge for the year	-	1,413	39,796	41,209
On disposals	-	(11,000)	-	(11,000)
At 31 December 2014	<u>-</u>	<u>30,957</u>	<u>173,528</u>	<u>204,485</u>
Net book value				
At 31 December 2014	<u>14,984,732</u>	<u>4,237</u>	<u>76,019</u>	<u>15,064,988</u>
At 31 December 2013	<u>9,779,166</u>	<u>-</u>	<u>106,751</u>	<u>9,885,917</u>

All the assets are used for charitable purposes.

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Charity	Freehold property £	Motor vehicles £	Fixtures, fittings and computer equipment £	Total £
Cost				
At 1 January 2014	9,779,166	40,544	225,274	10,044,984
Additions	5,766,827	-	8,324	5,775,151
Disposals	(561,261)	(11,000)	-	(572,261)
At 31 December 2014	<u>14,984,732</u>	<u>29,544</u>	<u>233,598</u>	<u>15,247,874</u>
Depreciation				
At 1 January 2014	-	40,544	124,042	164,586
Charge for the year	-	-	37,215	37,215
On disposals	-	(11,000)	-	(11,000)
At 31 December 2014	<u>-</u>	<u>29,544</u>	<u>161,257</u>	<u>190,801</u>
Net book value				
At 31 December 2014	<u>14,984,732</u>	<u>-</u>	<u>72,341</u>	<u>15,057,073</u>
<i>At 31 December 2013</i>	<u>9,779,166</u>	<u>-</u>	<u>101,232</u>	<u>9,880,398</u>

18. INVESTMENT PROPERTY

Group	Freehold investment property £
Valuation	
At 1 January 2014	775,000
Revaluation	225,000
At 31 December 2014	<u>1,000,000</u>

The investment property was purchased in 2006 and was revalued by the trustees at 31 December 2014. The total reduction of £652,952 (2013: £877,952) on the historical cost of £1,652,952 is considered to be a temporary fall in value.

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

19. FIXED ASSET INVESTMENTS

Group	Other investments £
Market value	
At 1 January 2014	718,592
Disposals	(713,140)
	<hr/>
At 31 December 2014	5,452
	<hr/>
Historical cost	5,452
	<hr/> <hr/>

Group investments at market value comprise:

	2014 £	2013 £
Other fixed asset investments	5,452	718,592
	<hr/> <hr/>	<hr/> <hr/>

All the fixed asset investments are held overseas

Unrestricted Investments within the charity are represented by Mutual Funds listed on the Israeli Stock Exchange of £5,452 (2013: £5,452).

Restricted investments comprise a holding in the Charities Official Investment Fund (COIF)- these had market value at 31 December 2014 of £nil (2013: £713,140).

Charity	Other investments £
Market value	
At 1 January 2014	718,592
Disposals	(713,140)
	<hr/>
At 31 December 2014	5,452
	<hr/>
Historical cost	5,452
	<hr/> <hr/>

Charity investments at market value comprise:

	2014 £	2013 £
Other fixed asset investments	5,452	718,592
	<hr/> <hr/>	<hr/> <hr/>

All the fixed asset investments are held overseas (2013: £713,140 held in the UK and £5,452 held overseas).

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

20. DEBTORS

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Due after more than one year				
Amounts owed by group undertakings	-	-	1,620,843	1,596,908
Due within one year				
Trade debtors	243,241	171,487	-	-
Amounts owed by group undertakings	-	-	262,333	187,809
Short term loans to others	8,703	12,303	8,703	12,303
Other debtors	96,466	211,672	94,113	210,762
	348,410	395,462	1,985,992	2,007,782

The charity loaned the sum of £1,657,568 to Watford Way Investments Limited to purchase the investment property. The loan is secured by a fixed and floating charge over the assets of the company (including property). The loan facility is for a period of 25 years and interest accrues at 1% per annum above the base rate of the Royal Bank of Scotland. Although there has been a fall in the value of the investment property the trustees consider that this fall is temporary and the full balance of the loan will be recoverable. This loan is included within long term debtors to reflect the fact that the loan is not considered to be recoverable within the 12 months following the year end.

In 2014 a provision of £652,952 (2013: £842,552) has been made against this loan in order to offset the reduction in value of the property. This is included in creditors due after more than one year.

21. CREDITORS:

Amounts falling due within one year

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	30,390	9,180	30,390	9,180
Trade creditors	32,692	71,859	32,164	71,331
Other taxation and social security	61,504	62,973	26,391	25,684
Funerals in advance	382,177	313,087	382,177	313,087
Other creditors	73,434	66,664	-	-
Accruals and deferred income	116,185	186,821	87,190	157,921
	696,382	710,584	558,312	577,203

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

**21. CREDITORS:
Amounts falling due within one year (continued)**

	Group	Charity
	£	£
Deferred income		
Deferred income at 1 January 2014	50,000	50,000
Amounts released from previous years	(10,000)	(10,000)
Deferred income at 31 December 2014	40,000	40,000

Deferred income relates to a donation received from the former Tottenham Synagogue to cover future costs of the burials of members of that synagogue. The sum is released over fifteen years being the expected remaining life of former members.

**22. CREDITORS:
Amounts falling due after more than one year**

	Group		Charity	
	2014	<i>2013</i>	2014	<i>2013</i>
	£	£	£	£
Bank loans	1,569,139	269,240	1,569,139	269,240
Provision against intercompany debtor	-	-	652,952	842,952
	1,569,139	269,240	2,222,091	1,112,192

In 2010, the charity took out a 25 - year mortgage of £300,000 and as at 31 December 2014, £269,529 remained outstanding with £260,022 being due in more than one year. The funds were required to finance the construction of a new synagogue building in Bury New Road, Salford, Manchester, for the Ohr Yerushalayim community.

During the year the charity took out a loan of £1,330,000, for a period not exceeding 10 years, in order to assist with the purchase of a property in Brent Green, Hendon, London, for use as a synagogue. This amount remained outstanding at 31 December 2014, with £1,309,117 being due in more than one year.

The loans are secured on their respective properties.

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

23. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General Funds	10,825,192	4,456,846	(2,332,100)	225,000	13,174,938
Restricted funds					
Proceeds from sale of synagogues (Federation of Synagogues formerly Amalgamated Fund)	1,090,036	-	-	9,970	1,100,006
Philpot Street Sphardish synagogue	557,744	-	-	5,099	562,843
Designated synagogue funds	351,750	180,387	-	-	532,137
	<u>1,999,530</u>	<u>180,387</u>	<u>-</u>	<u>15,069</u>	<u>2,194,986</u>
Total of funds	<u>12,824,722</u>	<u>4,637,233</u>	<u>(2,332,100)</u>	<u>240,069</u>	<u>15,369,924</u>

The restricted fund represents the proceeds from the sale of four synagogues (Alie Street, Vine Court, Canning Town and Philpot Street Sphardish).

The Federation of Synagogues (Former Synagogues and other sites amalgamated fund), charity number 1084833 is governed by a Scheme of the Commissioners dated 19 December 2000. The objects of the charity are the advancement of the religious and other charitable purposes of the Federation and the advancement of the general purposes of the Federation within the area of London falling within the London Orbital Motorway (M25).

The Philpot Street Sphardish Synagogue Fund, charity number 260871, is governed by a scheme dated 17 May 2006. The objects are the provision of a place of worship for the congregation of the East London Central Synagogue, its upkeep and maintenance of services. If insofar as the income is not required for those purposes it shall be applied for the general purposes of the Federation of Synagogues.

The Designated synagogues funds are collections of annual surpluses from the individual shuls for specific projects.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	10,825,192	4,456,846	(2,332,100)	225,000	13,174,938
Restricted funds	1,999,530	180,387	-	15,069	2,194,986
	<u>12,824,722</u>	<u>4,637,233</u>	<u>(2,332,100)</u>	<u>240,069</u>	<u>15,369,924</u>

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Tangible fixed assets	13,445,292	1,619,696	15,064,988	9,885,918
Fixed asset investments	5,452	-	5,452	718,592
Investment property	1,000,000	-	1,000,000	775,000
Current assets	989,715	575,290	1,565,005	2,425,036
Creditors due within one year	(696,382)	-	(696,382)	(710,584)
Creditors due in more than one year	(1,569,139)	-	(1,569,139)	(269,240)
	<u>13,174,938</u>	<u>2,194,986</u>	<u>15,369,924</u>	<u>12,824,722</u>

25. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	2,305,133	748,301
Depreciation of tangible fixed assets	41,209	35,366
Surplus on disposal of tangible fixed assets	(1,996,264)	(261,217)
Decrease/(increase) in stocks	275,000	(275,000)
Decrease/(increase) in debtors	47,051	(62,621)
Decrease in creditors	(35,412)	(27,673)
Net cash inflow from operations	<u>636,717</u>	<u>157,156</u>

FEDERATION OF SYNAGOGUES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

26. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(5,787,041)	(394,714)
Sale of tangible fixed assets	2,563,026	338,058
	(3,224,015)	(56,656)
Net cash outflow capital expenditure	(3,224,015)	(56,656)
	2014 £	2013 £
Acquisitions and disposals		
Sale of fixed asset investments	728,209	-
	728,209	-
	2014 £	2013 £
Financing		
New secured loans	1,330,000	-
Repayment of loans	(8,891)	(8,585)
	1,321,109	(8,585)
Net cash inflow/(outflow) from financing	1,321,109	(8,585)

27. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand:	1,754,575	(537,980)	-	1,216,595
Debt:				
Debts due within one year	(9,180)	-	(21,210)	(30,390)
Debts falling due after more than one year	(269,240)	(1,321,109)	21,210	(1,569,139)
	1,476,155	(1,859,089)	-	(382,934)
Net funds/(debt)	1,476,155	(1,859,089)	-	(382,934)

FEDERATION OF SYNAGOGUES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

28. CAPITAL COMMITMENTS

At 31 December 2014 the group and charity had capital commitments as follows:

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Contracted for but not provided in these financial statements	72,330	<i>477,097</i>	72,330	<i>477,097</i>

29. RELATED PARTY TRANSACTIONS

During the year £17,400 (inclusive of VAT) was charged by BBS Law Limited (formerly BBS Zatman Limited) on an arms length basis for legal services provided to the charity. Dov Black, a trustee of the charity, is a partner in that law firm.

30. CONTROLLING PARTY

The charity is under the control of the trustees.

31. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Kosher Foods Supervisory Services Limited	England and Wales	100%	Providing supervised Kosher food production in the United Kingdom and overseas
Watford Way Investments Limited	England and Wales	100%	Holding a property for investment purposes which is rented out on a commercial basis.

Both companies are wholly owned by the charity and are limited by guarantee.

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit/(loss) for the year £
Kosher Foods Supervisory Services Limited	(32,685)	11,485
Watford Way Investments Limited	(652,952)	-

FEDERATION OF SYNAGOGUES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

The Federation of Synagogues Trust Corporation Limited (Company number 03327382) holds a number of the properties of the Federation of Synagogues as a nominee. This is to avoid the need to transfer title to the Federation's properties when there are changes in the trustees. This company was dormant in the year.

The relevant figures for the single entity charity Federation of Synagogues are:

	£
Total incoming resources	4,044,280
Total resources expended	<u>1,560,632</u>
	2,483,648
Gains on revaluation of investment assets	<u>15,069</u>
	<u>2,498,717</u>