

Charity Commissioners

1137557

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

**DIRECTORS REPORT  
AND FINANCIAL STATEMENTS  
30 SEPTEMBER 2013**

CHARITY COMMISSION  
FIRST CONTACT  
5 JUN 2014  
ACCOUNTS  
RECEIVED

**LACOME & Co  
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS  
SAPPHIRE HOUSE  
73 St MARGARETS AVENUE  
LONDON  
N20 9LD**

# Finchley Reform Synagogue

## LEGAL AND ADMINISTRATIVE DETAILS

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

### Directors

Treasurer	Roger Barden		
	Debra Brunner		
	Paul Demby		
	Tamar Dhiri		
	Lisa Gayer		
	Amit Handelsman		
	Kathy Hirst (formerly Wolkind)	Resigned	18-Mar-13
Vice Chair	Sally Hurcomb		
Chair	Hannah Jacobs		
	Holly Kal Weiss	Resigned	18-Mar-13
	Juliet Landau Pope	Resigned	18-Mar-13
	Graham Moss		
Secretary	Suzi Philip		
Senior Warden	Laura Tobias		

**PRINCIPAL ADDRESS** 101 Fallow Court Avenue  
London N12 OBE

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

**AUDITORS** Lacombe & Co.  
Sapphire House  
73 St Margarets Avenue  
London N20 9LD

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 30 September 2013**

The Directors have pleasure in presenting their report together with the audited financial statements of the Charity for the year ended 30 September 2013. The financial statements are in accordance with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) and the Companies Act 2006.

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

The Synagogue was registered as a charitable company on 1<sup>st</sup> October 2010 when a new Memorandum and Articles of Association were implemented and accordingly the existing unincorporated charity became inactive from that date. All current members of the Synagogue were introduced as members of the new company and the Trustees became Directors.

The Finchley Reform Synagogue, known in Hebrew as Kehillah Kedasha Etz Chaim, was constituted under a deed of trust established in 1960 and is a registered charity No. 1137557.

Since becoming a limited company, the Articles form the basis of the company's constitution and the Memorandum identifies its objects.

As such the principal objects of the Synagogue remain the promoting of Judaism in the spheres of public worship, religious, educational, social, cultural and charitable activities.

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

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

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

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

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

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

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

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

In addition to these committees, the Synagogue employs administrative staff who are responsible for the day to day management of the building, financial control and recordkeeping, co-ordination of activities between various groups and who are available to respond to queries which are often of a sensitive nature, including life events and bereavements. Council, taking appropriate external advice where necessary, makes all significant operational decisions.

The Articles also require certain key decisions to be approved by the membership in open meeting, including the appointment and termination of rabbinic contracts, the purchase or sale of freehold property and the taking out of large loans.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 30 September 2013**

#### **EXTERNAL AFFILIATIONS**

The Articles provide that the Synagogue shall be a member of the Movement for Reform Judaism, for which benefit, affiliation fees are payable at a percentage of the previous year's subscription income.

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

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

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

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

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

**Ritual:** Our principal rabbi, Rabbi Miriam Berger and the clergy team continued to develop and lead religious services for the whole community, ensuring that they inspired every age group with content that covered prayer, study, and music and included children's activities.

An almost totally new group of wardens meant that the clergy team with the lay leadership ran a training programme to develop their knowledge of Jewish ritual and ways of engaging with the community to ensure services were relevant and accessible.

Alexandra Palace was again used for all of the High Holy Day services, allowing the whole community to pray together as a community in one location and which enabled us to provide services for all ages and needs of our members. We engaged an extra Rabbi to run services for families with younger children as well as to lead some study opportunities for members. Cantor Zoe Jacobs also engaged a coach for members of the choir, the first time many of them had such input.

**Youth and Education:** The number of young people involved in the Youth and Education provision increased during this year. In July 2013, after a survey of the parents, it was agreed to hire rooms at Finchley Progressive Synagogue on a Sunday morning to accommodate the increased number of young people. It was also agreed by the leadership to restructure the Youth and Education so as to further develop the four programme areas; namely adult education, youth work, bnei mitzvah programmes and the Sunday morning programme.

**Kindergarten:** The high standards of care and education developed during and since the awarding of 'outstanding' by Ofsted has continued. The Kindergarten continues to be fully enrolled with a waiting list at the start of the academic year.

**Community:** FRS continued its participation the Together in Barnet Shelter program, providing dinner, bed and breakfast in a homely atmosphere, once a week for 15 homeless men and women. Through the Synagogue's membership of London Citizens, the synagogue was able to host the Somalian Bravanese community for their Ramadan prayers following the arson attack on their premises.

**Grants:** Grants awarded, at £65,821 were 11% higher than in the year to September 2012.

Within the total above the amount of grants via the High Holy Day Appeal was £ 43,041 (2012 £ 44,230).

This year the High Holy Day Appeal main beneficiaries included those charities which Council agreed to give a three year focus, Israel Religious Action Center £ 7,149; Jewish Association for Mental Illness £ 7,519; Inclusive Play Opportunities Project £ 6,932. Additionally payments of £ 6,912 to UJIA and £ 1,500 to the Centre for Creativity in Education and Cultural Heritage were made. Full details are in Note 14.

# Finchley Reform Synagogue

## Directors' Report for the year ended 30 September 2013

### FINANCIAL REVIEW

The Statement of Financial Activities for the year to 30 September 2013 is set out on page 4 of the accounts and shows a net operating surplus from operations of £6,691 (2012 - £37,271) for the year.

The major contributory factors to the positive variance against Council's approved budget included the following: -

Membership continued to increase during the year.

Kindergarten income was below budget by just under £3,000 (1.25%) due to lower afternoon session attendance.

Letting income was above budget by some £5,700.

Rabbinic salaries and expenses were some £1,500 below budget. Wedding income was some £3,000 above budget.

Youth and education costs were some £3,000 higher than prior year reflecting the increase in numbers of students.

There was continuing spending on investigations including professional services into the building project, amounting to just under £17,500 and which are written off until the building project is formally approved.

Partially offsetting such overspend were reduced expenditure on maintenance and security costs; the latter following reviews as to when such resources were required

Against the previous year key changes included: -

Total income was some 4.6% higher than the previous year at £1,016k (2012 - £971k).

Compared to the prior year total expenses increased by some 9.4% to £1,015k (2012 - £928k).

There was new capital spending on refurbishing the Kindergarten and installing a new Sound System totalling £33,300 during the year; detailed in Note 8. These costs are depreciated over 10 years.

We have been able to transfer £5,000 to the Designated Fund, which has been used to cover some of the depreciation charge on these additions to fixed assets.

The Synagogue's reserves now total £248,868 (2012 - £251,204). The decrease is due to the excess of the depreciation charge on additions to fixed assets over the transfer of £5,000 to the Designated Fund.

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

- The High Holy Day Appeal received £41,526. It disbursed over £35,700 and made net transfers of just over £7,300.
- Belarus Twinning received almost £15,000 and just over a further £11,300 was transferred in. It spent just over £30,000 in the year.

A full summary of movements is detailed in note 11.

### PLANS FOR THE FUTURE

The discussions on options to enhance the synagogue buildings have continued with many members investing a significant amount of time and effort to drive the programme forward. With the decision to withdraw the plans for the redevelopment of the whole site, it became necessary to regularise the situation in the kindergarten, namely the use of the Portakabin until 2018 and the 60 children on roll. Work continues on plans for the redevelopment of the whole site.

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

**Ritual:** The development of more wardens and the successful succession of new leadership from the membership. The clergy team will continue to develop innovative choices of prayer services alongside the main services.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 30 September 2013**

**Youth and Education:** With the Youth and Education restructuring, the position of part time Director of Education was made redundant. The adult education provision is covered by the Clergy team who seek to offer more adult education programmes in people's homes; the bnei mitzvah programme is led by Cantor Zoe Jacobs who will continue to develop the programme with families and young people; the youth worker will ensure his programmes are aligned with the work of the Director of Community Engagement and a new Head of Kochavim will be recruited to further develop the Sunday morning programme.

**Kindergarten:** The kindergarten will continue to develop its high standards and will also work on a new project with North Western Reform Synagogue kindergarten to set up a new Jewish day centre for working parents in a site between the two synagogues.

**Chesed (Community Services)** continues to provide care to our members when and where required. They continue to organise support at times of bereavement and Festivals, supporting the principal rabbi in her work as well as phoning the membership on Pesach and Rosh Hashanah. They are focussing on training the volunteers, particularly in dementia awareness and Mental Health issues.

**Finances:** From a financial perspective, our steadily increasing membership continues to enable investment in key resources. Without this continuing increase in membership the Synagogue would not be able to make the necessary investment in staff resources on a sustainable basis to meet the numerous increased demands for music, youth and education and community activities. There is also financial pressure on the cost side, for example utility bills and expenditure required in maintaining the existing building, as well as the continuing need to fund professional fees relating to the new building project.

The budget for 2013-14 anticipates an operating deficit of £9,800, which is considered acceptable taking account of existing reserves.

#### **INVESTMENT POLICY**

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

#### **RESERVES POLICY**

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

As identified in note 13, the unrestricted funds are £248,868, a decrease of just over £2,300. This includes £178,868 in the Designated Fund. This level covers payroll costs for several months and provides for asset depreciation and repairs as identified in note 12.

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

#### **GRANT MAKING POLICY**

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

In the year to September 2010, Council approved a recommendation to support four key charities over a three-year period, allowing FRS to build up a better understanding of each charity's needs than would otherwise be the case when one-off donations are made. Council has agreed those four charities, which will be supported during the three-year period beginning 1 October 2013.

Additionally the synagogue continues to support other charities with smaller donations managed by a dedicated group of members. During 2013 £4,780 was paid to charities using FRS Cares fund.

Details of this year's grants are shown in note 14 of the accounts.

## **Finchley Reform Synagogue**

### **Directors' Report for the year ended 30 September 2013**

#### **RISK MANAGEMENT**

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

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

There are no post balance sheet events.

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

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

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

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

The Directors are aware that, at the time the report is approved, firstly there is no relevant audit information of which the company's auditor is unaware and secondly, they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Directors and signed on their behalf by:



**Hannah Jacobs Chair**



**Roger Barden Treasurer**

13 February 2014

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
FINCHLEY REFORM SYNAGOGUE (COMPANY LIMITED BY GUARANTEE)**

This report is issued in respect of an audit carried out under section 495 of the Companies Act 2006.

We have audited the financial statements of Finchley Reform Synagogue (Company Limited by Guarantee) for the year ended 30th September 2013, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein (and the requirements of the Financial Reporting Standard for Smaller Entities).

The report is made solely to the charity's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of Finchley Reform Synagogue for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's financial statements give a true and fair view.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and international Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if disclosure of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We considered our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all Information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

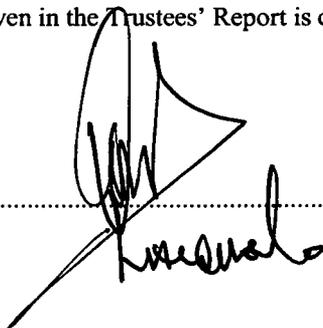
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## Opinion

*In our opinion:*

- The financial statements give a true and fair view of the state of the charity's affairs as at
- 30th September 2013 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- The financial statements have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- The financial statements have been prepared in accordance with the Companies Act 2006; and
- The information given in the Trustees' Report is consistent with the financial statements.

Senior Statutory Auditor  
For and on behalf of.....

A handwritten signature in black ink, appearing to read 'Lacome', is written over a horizontal dotted line. The signature is stylized and cursive.

Lacome & Co.  
Chartered Accountants and Registered Auditors  
Sapphire House  
73 St Margarets Avenue  
Whetstone  
London  
N20 9LD

13 February 2014

**FINCHLEY REFORM SYNAGOGUE**

**BALANCE SHEET AND ACCOUNTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2013**

FINCHLEY REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2013

INCOME AND EXPENDITURE	Notes	Unrestricted			Total	Unrestricted			Total
		Operations	Designated	Restricted	Funds 2013	Operations	Designated	Restricted	Funds 2012
		£	£	£	£	£	£	£	£
<b>INCOMING RESOURCES</b>									
Incoming resources from generated funds									
Voluntary income	2a	649,925		95,170	745,095	619,037		86,597	705,634
Activities for generating funds	2b	10,480		-	10,480	9,965		-	9,965
Investment income - bank deposit interest		4,713		542	5,255	4,639		228	4,867
Other incoming resources	2c	255,708		-	255,708	250,856		-	250,856
<b>TOTAL INCOMING RESOURCES</b>		<b>920,826</b>	<b>-</b>	<b>95,712</b>	<b>1,016,538</b>	<b>884,497</b>	<b>-</b>	<b>86,825</b>	<b>971,322</b>
<b>RESOURCES EXPENDED</b>									
Charitable activities	3&11	762,800	-	93,381	856,181	699,335	-	73,658	772,993
Depreciation for the year	8&13	-	8,027	-	8,027	500	6,447	1,007	7,954
Governance costs	5	43,711	-	-	43,711	43,794	-	-	43,794
Other costs	6	107,624	-	-	107,624	103,597	-	-	103,597
<b>TOTAL RESOURCES EXPENDED</b>		<b>914,135</b>	<b>8,027</b>	<b>93,381</b>	<b>1,015,543</b>	<b>847,226</b>	<b>6,447</b>	<b>74,665</b>	<b>928,338</b>
<b>NET INCOMING(OUTGOING) RESOURCES BEFORE TRANSFERS</b>									
		6,691	(8,027)	2,331	995	37,271	(6,447)	12,160	42,984
Transfers	12	(6,000)	5,000	1,000	-	(35,500)	35,000	500	-
<b>NET INCOMING(OUTGOING) RESOURCES AFTER TRANSFERS</b>									
		691	(3,027)	3,331	995	1,771	28,553	12,660	42,984
Balance brought forward at beginning of year		69,844	181,360	82,308	333,512	68,073	152,807	69,648	290,528
<b>Balance carried forward at end of year</b>		<b>70,535</b>	<b>178,333</b>	<b>85,639</b>	<b>334,507</b>	<b>69,844</b>	<b>181,360</b>	<b>82,308</b>	<b>333,512</b>

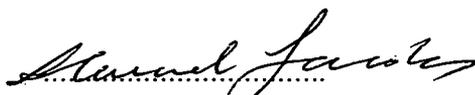
The notes on pages 6 to 10 form part of these accounts

**FINCHLEY REFORM SYNAGOGUE**

**BALANCE SHEET AS AT 30 SEPTEMBER 2013**

	Notes	2013		2012	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	8		130,249		104,975
<b>Current Assets</b>					
Debtors and prepayments	9	63,514		64,773	
Short term deposits		328,221		310,358	
Cash at bank and in hand		<u>8,676</u>		<u>40,466</u>	
		400,411		415,597	
<b>Current Liabilities</b>					
Amounts falling due within one year	10	<u>(196,153)</u>		<u>(187,060)</u>	
<b>Net Current Assets</b>			204,258		228,537
<b>Net Assets</b>			<u><u>334,507</u></u>		<u><u>333,512</u></u>
<b>Loans</b>					
Amounts falling due over one year			0		0
<b>Net Assets</b>			<u><u>334,507</u></u>		<u><u>333,512</u></u>
<b>Funds</b>					
Restricted	11		85,639		82,308
Unrestricted	13		<u>248,868</u>		<u>251,204</u>
			<u><u>334,507</u></u>		<u><u>333,512</u></u>

Approved by the Board of Directors (The Synagogue Council)  
on 10th February 2014 and signed on its behalf by:

  
Hannah Jacobs Chair

  
Roger Barden Treasurer

The notes on pages 6 to 10 form part of these accounts

# FINCHLEY REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 1. ACCOUNTING POLICIES

#### a) Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with the requirements of SORP 2005. No cash flow statement has been prepared as the gross income is below the threshold set out in FRS1 - Cash flow statements.

#### b) Income

Subscription income is included in the financial year to which it relates after making allowance for any amounts that are unlikely to be collected. Kindergarten and Education fees are recognised in the term to which they relate.

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

Other income, including rental of the Synagogue hall, is accounted for on an accruals basis, with the exception of certain High Holydays income which is dealt with in note 1(d).

#### c) Income tax recoverable

This has been included to the extent that it arises on Gift Aided subscription income due for the year.

#### d) High Holyday Income and Expenditure

Because the dates of the High Holydays vary around the financial year end, it is possible for one, two or no such events, to occur during a financial year. Accordingly income and expenses relating to the High Holydays may be deferred in order to ensure that one and only one, event occurs in each year.

#### e) Expenditure

This is recognised on an accruals basis, with the exception of certain expenditure relating to High Holydays which is dealt with in note 1(d). Irrecoverable VAT is treated as an expense and charged to the appropriate heading within the Statement of Financial Activities.

#### f) Allocation of costs

Certain costs, primarily the cost of the rabbinic team, are allocated on the basis of an estimate of the time spent on each activity. Support costs are allocated to the various activities based on the number of staff employed in each area.

#### g) Pensions

The Synagogue does not itself participate in a pension scheme in respect of any of its employees. Certain employees of the Synagogue are entitled to receive contributions, expressed as a proportion of their salaries, in respect of their own personal pension schemes.

#### h) Fixed assets and depreciation

Fixed assets are included at cost less accumulated depreciation. Individual capital additions below £500 are written off in the year. The following rates of depreciation are employed to depreciate those assets over their effective lives:

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

The synagogue and the adjoining building were professionally valued in October 1998 at £520,000. The valuation was significantly in excess of the original cost, and accordingly depreciation has not been charged as it would be immaterial, taking into account the likely residual value.

#### i) Funds

Unrestricted funds are those which can be applied at the discretion of the Trustees for any of the charitable purposes permitted by the Constitution. Unrestricted funds include the designated fixed assets fund as described in the Trustees' Report and Note 11.

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

#### j) Comparative figures

As described in page 2a of the Trustees' Report, these financial statements present the results and assets and liabilities of the new charitable company, while the comparative figures are those of the predecessor unincorporated charity of the same name.

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

2a VOLUNTARY INCOME

	2013	2012
	£	£
<b>Unrestricted funds</b>		
Subscriptions	533,831	507,747
Income Tax Recoverable	113,834	108,439
Donations	2,260	2,851
	<u>649,925</u>	<u>619,037</u>
<b>Restricted funds</b>		
Donations	95,170	86,597
	<u>745,095</u>	<u>705,634</u>

2b ACTIVITIES FOR GENERATING FUNDS

	2013	2012
	£	£
Hire of hall	8,666	7,034
Synagogue magazine advertising	1,814	2,931
	<u>10,480</u>	<u>9,965</u>

2c INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2013	2012
	£	£
Sale of High Holy Day tickets	3,885	4,773
Second Seder night	2,609	1,810
Marriages	3,250	800
Education fees - Kindergarten	227,130	211,962
Income from holiday schemes	18,834	31,511
	<u>255,708</u>	<u>250,856</u>

3 CHARITABLE ACTIVITIES

	Staff Costs	Direct Costs	Support Costs	2013	2012
	£	£	£	£	£
Services & Festivals	127,841	61,692	48,473	238,006	207,247
Youth & education	81,157	18,618	45,037	144,812	167,614
Kindergarten	187,189	30,291	26,941	244,421	222,492
Community activity	46,407	60,843	27,838	135,088	101,829
Interest	-	-	473	473	153
	<u>442,594</u>	<u>171,444</u>	<u>148,762</u>	<u>762,800</u>	<u>699,335</u>

4 SUPPORT COSTS

	Services & Festivals	Youth & Education	Kindergarten	Community activities	Interest	Governance costs	Total 2013	Total 2012
	£	£	£	£	£	£	£	£
<b>Premises costs</b>								
Caretaking costs	8,493	8,493	8,493	1,416	-	1,416	28,311	28,286
Lighting, heating and rates	3,482	3,482	3,482	580	-	582	11,608	8,927
Repairs and maintenance	3,568	3,568	3,568	595	-	593	11,892	10,166
Cleaning costs	1,341	1,341	1,341	223	-	223	4,469	4,744
<b>Office costs</b>								
Administrative staff costs	17,018	17,018	3,404	17,018	-	13,615	68,073	69,456
Printing, postage & stationery	1,765	1,765	353	1,765	-	1,410	7,058	6,855
Telephone	779	779	-	779	-	260	2,597	2,024
Insurance	2,482	2,482	2,482	414	-	414	8,274	7,768
Interest paid	-	-	-	-	473	-	473	153
Bank charges	456	456	456	456	-	457	2,281	1,938
Equipment repairs and maintenance	2,107	2,107	2,107	351	-	352	7,024	6,358
Computer and website consultancy	540	540	540	90	-	90	1,800	1,800
Legal & professional fees	-	-	-	-	-	19,153	19,153	19,708
<b>Security</b>	5,727	2,291	-	3,436	-	-	11,454	10,099
<b>Other Items</b>	715	715	715	715	-	-	2,860	1,470
	<u>48,473</u>	<u>45,037</u>	<u>26,941</u>	<u>27,838</u>	<u>473</u>	<u>38,565</u>	<u>187,327</u>	<u>179,753</u>

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

5. GOVERNANCE COSTS	Unrestricted Funds	
	2013	2012
	£	£
Trustee Indemnity Insurance	901	900
Audit	4,070	3,650
Annual report	175	280
Allocated Support costs	38,565	38,964
	<u>43,711</u>	<u>43,794</u>

6. OTHER COSTS	Unrestricted Funds	
	2013	2012
	£	£
Movement for Reform Judaism	93,909	90,660
Board of Deputies	13,715	12,937
	<u>107,624</u>	<u>103,597</u>

7. STAFF COSTS	2013		2012	
	£		£	
Wages and Salaries	489,216		453,391	
National Insurance	38,671		36,041	
Pension Costs	15,385		10,355	
	<u>543,272</u>		<u>499,787</u>	

	2013	2012
	Full Time Equivalent Number of Employees	
<b>Staff numbers (full time equivalents) were as follows:</b>		
Rabbinic	2.30	2.30
Education	3.00	2.70
Community	1.40	0.50
Kindergarten	6.00	6.50
Administrative	3.50	3.50
	<u>16.20</u>	<u>15.50</u>

There was only one employee with emoluments over £55,000.  
No expenses were reimbursed to Trustees or persons connected with them.

8. TANGIBLE FIXED ASSETS	Freehold Land and Buildings	Synagogue, Youth Centre & Kindergarten Improvements	Synagogue vestments furniture & books	Office & Sound System Equipment	Computers	Total
Cost	£	£	£	£	£	£
At 1 October 2012	109,615	282,150	34,084	29,476	19,223	474,548
Additions/transfers at cost during year	-	29,233	-	4,068	-	33,301
Total cost at 30 September 2013	<u>109,615</u>	<u>311,383</u>	<u>34,084</u>	<u>33,544</u>	<u>19,223</u>	<u>507,849</u>
<b>Accumulated depreciation</b>						
At 1 October 2012	18,575	271,609	34,084	26,082	19,223	369,573
Charge for the year	-	5,313	-	2,714	-	8,027
Total cost at 30 September 2013	<u>18,575</u>	<u>276,922</u>	<u>34,084</u>	<u>28,796</u>	<u>19,223</u>	<u>377,600</u>
<b>Net Book Values</b>						
At 30 September 2013	<u>91,040</u>	<u>34,461</u>	<u>-</u>	<u>4,748</u>	<u>-</u>	<u>130,249</u>
At 30 September 2012	<u>91,040</u>	<u>10,541</u>	<u>-</u>	<u>3,394</u>	<u>-</u>	<u>104,975</u>

The outstanding capital commitment at 30 September 2013 was £23,303 in respect of replacement boilers for the main building (2012 - £nil)

FINCHLEY REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

9. DEBTORS AND PREPAYMENTS comprise

	2013 £	2012 £
Income tax recoverable	7,375	14,510
Sundry debtors and prepayments	56,139	50,263
	<u>63,514</u>	<u>64,773</u>

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

	2013 £	2012 £
Board of Deputies levy	12,230	11,693
Kindergarten fees received in advance	64,441	80,304
Hall hire deposits	1,450	1,950
High Holydays ticket sales received in advance	5,785	3,805
PAYE and NIC for September	10,123	8,950
Audit Fee	4,000	3,650
Pension Contributions	1,428	2,126
Rabbinic Costs	265	658
Subscriptions in Advance	27,703	30,234
JJBS Over-Age Payments	4,454	1,910
Trade Creditors	19,769	13,493
Other creditors and accruals	44,505	28,287
	<u>196,153</u>	<u>187,060</u>

11. RESTRICTED FUNDS

	Balance at 01.10.12 £	Interest accrued £	Donations received £	Transfers £	Disbursed during year £	Balance at 30.09.13 £
These are analysed as follows:						
Benevolent Fund	959	4	-	-	(350)	613
Building Fund	30,584	297	7,419	-	-	38,300
Czech Scroll Trust Fund	115	-	-	-	(76)	39
FRS Cares Fund	13,788	81	5,476	1,000	(4,780)	15,565
FRS Charity Committee Fund	14,796	37	5,256	(3,600)	(14,400)	2,089
High Holyday Appeal Fund	2,126	32	41,526	(7,329)	(35,712)	643
Inter-Faith Fund	2,973	16	2,500	-	(1,136)	4,353
Jack Petchey Award Fund	4,153	20	1,400	(400)	(1,480)	3,693
Music and Ritual Fund	200	1	-	-	-	201
Ruby Newman Memorial Fund	1,044	-	-	-	(1,044)	-
Belarus Project Fund	7,400	29	14,956	11,329	(30,474)	3,240
Youth Group Fund	4,170	23	9,137	-	(1,725)	11,605
Musical Engagement Intern Fund	-	-	2,500	-	(2,204)	296
Community Engagement Fund	-	2	5,000	-	-	5,002
	<u>82,308</u>	<u>542</u>	<u>95,170</u>	<u>1,000</u>	<u>(93,381)</u>	<u>85,639</u>

All the Disbursements totalling £93,381 were for Charitable Activities

Details relating to restricted

funds expending or holding over £2,000	Sources of funds	Restrictions of funds	Assets of funds
Building Fund	Events and donations	Improvement of building	FRS bank account
FRS Cares Fund	Donations	Grants and subsidies to members	FRS bank account
FRS Charity Committee Fund	Events and donations	Charitable donations	FRS Charity bank account
High Holyday Appeal Fund	High holyday appeal	Charitable donations	HHD Appeal bank account
Inter-Faith Fund	Grants and donations	Development of interfaith connections and understanding	FRS bank account
Jack Petchey Award Fund	Grants	Development of youth resources and facilities	FRS bank account
Belarus Project Fund	Events and donations	Preservation of Jewish heritage in Belarus	FRS bank account
Youth Group Fund	Grants and donations	Facilitating Jewish life for FRS youth	FRS bank account
Musical Engagement Intern Fund	Donations	Development of musical engagement	FRS bank account

**FINCHLEY REFORM SYNAGOGUE**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**Details of transfers between unrestricted and restricted funds:**

The Synagogue donated £1,000 to FRS Cares out of general reserves.  
The restricted funds receive interest on the average of month end balances during the year at 0.5% pa.

**Material movements of funds**

The Charity Committee raised £5,256 from events and donations and donated £14,400 to outside charities.  
The High Holyday appeal raised £41,526 and £35,712 has been donated to outside charities chosen by the trustees.  
Details of the charities supported are set out in Note 14.

**Analysis of assets and liabilities, by fund**

The excess of the building carrying value over the value of these funds is utilised proportionately to offset the net liabilities of all those Funds where the assets of the funds are held in the FRS bank account and the Unrestricted Reserves shown in Note 13.  
These net liabilities mainly comprise cash, amounts due from members, less accrued expenses.  
The other reserves are funded by specific assets as shown on previous page.

**12. DESIGNATED FUND - FIXED ASSETS**

This was established in 2008 and this year a further £5,000 has been transferred to the Fund. The purpose of this fund is to make proper provision for depreciation on existing fixed assets, for future repairs and renewals of the synagogue building and to provide funds for a possible major refurbishment and/or future building improvements.

**13. UNRESTRICTED FUNDS**

	Balance at 30.09.12	Donations received	Transfers	Incoming/ Outgoing	Balance at 30.09.13
	£	£	£	£	£
General Reserves	66,801	-	(6,000)	6,691	67,492
Bequest and Legacy Fund	3,043	-	-	-	3,043
	69,844	-	(6,000)	6,691	70,535
Designated Fund - Fixed Assets	181,360	-	5,000	(8,027)	178,333
<b>Total Unrestricted Funds</b>	<b>251,204</b>	<b>-</b>	<b>(1,000)</b>	<b>(1,336)</b>	<b>248,868</b>

The amount disbursed from the Designated Fund - Fixed Assets of £8,027 relates to the years depreciation of £2,714 on the Photocopier and Sound System, £2,387 on the Synagogue and Youth Centre Improvements and £2,926 on the Kindergarten Improvements.

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

Fund	Recipients (all Institutional)	2013 £	2013 £
FRS Cares	22 amounts under £500 and 1 of £500 and 2 of £800		4,780
FRS Charity Committee	Jewish Association for Mental Illness (JAMI)	3,600	
	Israel Religious Action Center (IRAC)	3,600	
	MRJ	3,600	
	Fair Play Barnet	3,600	
		14,400	
	Transfer to FRS Belarus Twinning Fund	3,600	18,000
High Holyday Appeal	Jewish Association for Mental Illness (JAMI)	7,519	
	Israel Religious Action Center (IRAC)	7,149	
	Inclusive Play Opportunities Project (IPOP)	6,932	
	United Jewish Israel Appeal	6,912	
	Centre for Creativity in Education and Cultural Heritage	1,500	
	5 amounts of between £100 and £250	900	
	48 amounts of £100	4,800	
		35,712	
		7,329	43,041
			<u>65,821</u>

**15. RELATED PARTY TRANSACTIONS**

Salary paid to a Director as an FRS Kindergarten teacher	6,950
Salary paid to a Director as an FRS Kindergarten teacher	4,717
Salary paid to son of a Director as a Religion School helper	364
Salary paid to son of a Director as a Religion School helper	309
Salary paid to daughter of a Director as a Religion School helper	275
Paid to a Director for Treee of Life layout	150
Salary paid to son of a Director as a Religion School helper	136
Salary paid to son of a Director as a Religion School helper	108
Salary paid to son of a Director as a Religion School helper	89
Salary paid to son of a Director as a Religion School helper	45
	<u>13,143</u>

**16. MEMBERS LIABILITY**

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

**17. CONTINGENT LIABILITY**

During the year to 30 September 2010 the synagogue received a grant of £20,425 from the London Borough of Barnet in respect of capital expenditure by the Kindergarten and upon certain specific conditions. This grant could be repayable in the event that the conditions did not continue to be met for a period of four years to June 2015