



Hatch End Masorti Synagogue

Report and Accounts for the Year Ended 31st December 2018

Company Registration No. (England and Wales) 03899916

Charity Registration No. 1080951



Company information

Trustees	S Ezekiel - resigned 10th June 2018
	S Glass
	D Honey - appointed 10th June 2018
	E Lucas
	N Mendoza
	G Ross
Secretary	E Lucas
Company Number	3899916
Charity Number	1080951
Registered Office	39 Bessborough Road Harrow Middlesex HA1 3BS



Report of the Trustees

The Trustees present their annual report and the financial statements of the Company for the year ended 31 December 2018.

Background

Hatch End Masorti Synagogue is a company limited by guarantee and does not have a share capital. It is registered as a charity (number 1080951).

Objectives and policy

The Company's objectives are:

- (1) The advancement of the Jewish faith in accordance with Masorti principles, in particular by the establishment and maintenance of a religious congregation for the advancement and promotion of the practice and teaching of Judaism in Hatch End and its surrounding area;
- (2) The advancement of education in the history, customs, language, tenets and culture of Judaism.

The Company is a constituent member of Masorti Judaism (charity number 801846) and is part of Mosaic Jewish Community (charity number 1157109).

Organisation

The Trustees are responsible for all policy decisions.

The day to day operations are delegated to an elected council and various functional committees.

Financial position and reserves policy

The operating surplus is:

	2018	2017
	£	£
Overall surplus during the period	15,010	11,605
Overall funds	93,293	78,283

The trustees have established a policy whereby the reserves should be a minimum of:
See Note 10 in the Financial Statements.

40,500

The free reserves are:

	2018	2017
	£	£
Free reserves	57,668	40,870

The Trustees note that the free reserves exceed the reserves policy figure by:
The Trustees will continue to monitor this.

17,168



Trustees and their interests

The Trustees of the Company during the period were as follows:

S Ezekiel - resigned 10th June 2018
S Glass
D Honey - appointed 10th June 2018
E Lucas
N Mendoza
G Ross

This report was approved by the Trustees on 22nd May 2019.

D Honey
Trustee



Statement of financial activities for the year ended 31 December 2018 (incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds	Total funds	2017
		£	£	£	£
Income and expenditure					
Incoming resources					
Fees		43,646		43,646	45,733
Donations and sponsorship received		278		278	556
High Holy Days contributions		385		385	120
Fundraising and other activities – net		973		973	0
Income tax recoverable		8,628		8,628	9,059
Bank interest receivable		211		211	187
Total income and endowments		<u>54,121</u>	<u>0</u>	<u>54,121</u>	<u>55,655</u>
Expenditure on charitable activities and other expenditure					
Direct charitable donations		13,327		13,327	9,991
Management and administration	4	23,996	1,788	25,784	34,059
Total expenditure		<u>37,323</u>	<u>1,788</u>	<u>39,111</u>	<u>44,050</u>
Net income/(expenditure) and movement in funds	8	16,798	-1,788	15,010	11,605
Fund balance at 1 January		40,870	37,413	78,283	66,678
Fund balance at 31 December		<u>57,668</u>	<u>35,625</u>	<u>93,293</u>	<u>78,283</u>

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



Balance sheet as at 31 December 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets:					
Tangible assets					
- Torah scrolls and accessories	5		6,391		8,449
- fixtures, fittings and equipment			562		562
			<u>6,953</u>		<u>9,011</u>
Current assets:					
Debtors	6	7,464		8,991	
Cash at bank and in hand		91,707		66,994	
		<u>99,171</u>		<u>75,985</u>	
Creditors:					
amounts falling due within one year	7	12,831		6,713	
		<u></u>		<u></u>	
Net current assets			86,340		69,272
Total assets less current liabilities			<u>93,293</u>		<u>78,283</u>
Reserves:					
Unrestricted funds	9 and 10		57,668		40,870
Restricted funds	11		35,625		37,413
Total funds			<u>93,293</u>		<u>78,283</u>

The directors are satisfied that the Company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The Trustees are responsible for:

(a) ensuring that the Company keeps accounting records and the preparation of accounts which comply with the requirements of the Companies Act; and

(b) preparing financial statements which give a true and fair view of the state of affairs of the Company at 31 December 2018 and of its result for the period then ended in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The accounts were approved by the Trustees on 22 May 2019.

D Honey
Trustee

E Lucas
Trustee



Notes to the financial statements at 31 December 2018

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently, is set out below.

Accounting convention

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice (Accounting for Charities) (SORP 2015) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Turnover

The turnover of the Company is derived from its normal activities.

Resources expended

All expenditure is included on an accruals basis.

The Charity is not registered for VAT and all the expenditure is shown inclusive of irrecoverable input VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

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

Torah scrolls and accessories	- 20 years
Fixtures, fittings and equipment	- between 2 and 5 years

2 The operating surplus is stated after:

	2018	2017
	£	£
Depreciation of tangible assets	2,059	1,788
Donations received	278	556

3 Staff costs

There are no staff costs as this expense is included within the Mosaic charge.



4 Expenditure on charitable activities and other expenditure

	2018 £	2017 £
Direct charitable expenditure		
Joint Jewish Burial Society	5,899	5,880
Masorti Judaism	5,402	3,616
Board of Deputies	2,026	495
	<u>13,327</u>	<u>9,991</u>
Management and administration		
Premises costs	4,121	4,087
Cheder expenses	-300	-30
Visiting minister costs	4,037	13,998
Mosaic Community (including insurance, repairs, telephone)	12,342	10,500
Office expenses attributable to HEMS	0	946
Depreciation	2,058	1,788
Events, catering and food costs (net)	1,704	1,257
Professional fees	0	35
Community development	1,401	0
Bank charges	72	191
General expenses	349	1,287
	<u>25,784</u>	<u>34,059</u>
Total expenditure	<u>39,111</u>	<u>44,050</u>

5 Tangible fixed assets

	Torah scrolls & accessories	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January	35,771	6,407	42,178
Additions	<u>0</u>	<u>0</u>	<u>0</u>
At 31 December	<u>35,771</u>	<u>6,407</u>	<u>42,178</u>
Depreciation			
At 1 January	27,322	5,845	33,167
Charge for the period	<u>2,058</u>	<u>0</u>	<u>2,058</u>
At 31 December	<u>29,380</u>	<u>5,845</u>	<u>35,225</u>
Net Book Value			
At 31 December	6,391	562	6,953
At 1 January	<u>8,449</u>	<u>562</u>	<u>9,011</u>



6 Debtors

	2018	2017
	£	£
Income tax recoverable on Gift Aid donations	6,728	6,786
Prepayments and accrued income	0	1,269
Other debtors	736	936
	<u>7,464</u>	<u>8,991</u>

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals	4,976	2,550
Other creditors	7,855	4,163
	<u>12,831</u>	<u>6,713</u>

8 Reconciliation of movements in total funds

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Balance at 1 January	40,870	37,413	78,283
Movement in the period	16,798	-1,788	15,010
Balance at 31 December	<u>57,668</u>	<u>35,625</u>	<u>93,293</u>

9 Free reserves

	2018	2017
	£	£
Unrestricted funds at 31 December	<u>57,668</u>	<u>40,870</u>
Free reserves	<u>57,668</u>	<u>40,870</u>



10 Reserves Policy

The Trustees have reviewed the reserves policy in line with their obligations and duties under charity law / regulations.

The purpose of the HEMS reserves policy is to ensure that:

- The risks of unforeseen circumstances will be addressed
- Planned commitments are covered
- HEMS can pay for day to day operational costs

10.1 Risks of unforeseen circumstances

The Trustees have identified a number of risks that the reserves must address. For each risk, the Trustees have assessed an annual contingency which is a realistic estimate of what HEMS would have to spend should that risk actually occur.

		Annual Contingency	£
Relocation	When the community moves to a new location, there is a loss of income if some members decide not to move with the community	8,000	
Bereavement	There is a loss of income because of the demise of members.	2,500	
New Rabbi	Loss of income as a result of some members choosing to leave because of a new rabbi	2,500	
Hamakom	Increased costs should families with children join and children attend Hamakom	6,000	
Mosaic	Increased costs should the ratio of members between the constituent communities vary	2,500	
New building	Increased costs arising from unforeseen building running costs	3,500	
Contingency	Unforeseen circumstances and general contingency	1,500	
		<u>26,500</u>	

10.2 Planned commitments

- 20 in 2020 While the plan is to keep costs below £2,000, the Trustees have set aside a contingency for unforeseen costs totalling £4,000
- New building There is a separate Development Fund (which is not part of the free reserves) out of which most building set up costs will be met - see note 11

10.3 Day to day operational costs

HEMS major costs will be:

- Contributions to Mosaic, Jewish Joint Burial Society and Masorti Judaism.
- Contribution to the Rabbi's salary and expenses

Covering the major costs for 3 to 6 months - total £10,000

10.4 Summary

10.1	Risk of unforeseen circumstances	26,500
10.2	Planned commitments	4,000
10.3	Day to day operational costs	10,000
	The cost of the reserves policy for one year	<u>40,500</u>
	Ratio of free reserves over reserves policy	1.42



11 Restricted funds

	2018	2017
	£	£
Development fund	30,375	30,375
Asher Hyman fund	3,251	3,251
David Davis fund	1,999	1,999
	<u>35,625</u>	<u>35,625</u>

12 Capital

The Company is a company limited by guarantee not having a share capital.
The liability of members is limited to £20 each in the event of a winding up of the Company.



Hatch End Masorti Synagogue

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The Trustees are responsible for all policy decisions.

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Overall funds	93,293	78,283

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40,500

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The Trustees note that the free reserves exceed the reserves policy figure by:
The Trustees will continue to monitor this.

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This report was approved by the Trustees on 22nd May 2019.

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Incoming resources					
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Donations and sponsorship received		278		278	556
High Holy Days contributions		385		385	120
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Bank interest receivable		211		211	187
Total income and endowments		<u>54,121</u>	<u>0</u>	<u>54,121</u>	<u>55,655</u>
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Direct charitable donations		13,327		13,327	9,991
Management and administration	4	23,996	1,788	25,784	34,059
Total expenditure		<u>37,323</u>	<u>1,788</u>	<u>39,111</u>	<u>44,050</u>
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Fund balance at 1 January		40,870	37,413	78,283	66,678
Fund balance at 31 December		<u>57,668</u>	<u>35,625</u>	<u>93,293</u>	<u>78,283</u>

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D Honey
Trustee

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Notes to the financial statements at 31 December 2018

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Community development	1,401	0
Bank charges	72	191
General expenses	349	1,287
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Total expenditure	<u>39,111</u>	<u>44,050</u>

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	Torah scrolls & accessories	Fixtures, fittings & equipment	Total
	£	£	£
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At 1 January	35,771	6,407	42,178
Additions	<u>0</u>	<u>0</u>	<u>0</u>
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Free reserves	<u>57,668</u>	<u>40,870</u>



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- The risks of unforeseen circumstances will be addressed
- Planned commitments are covered
- HEMS can pay for day to day operational costs

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HEMS major costs will be:

- Contributions to Mosaic, Jewish Joint Burial Society and Masorti Judaism.
- Contribution to the Rabbi's salary and expenses

Covering the major costs for 3 to 6 months - total £10,000

10.4 Summary

10.1	Risk of unforeseen circumstances	26,500
10.2	Planned commitments	4,000
10.3	Day to day operational costs	<u>10,000</u>
	The cost of the reserves policy for one year	<u>40,500</u>
	Ratio of free reserves over reserves policy	1.42



11 Restricted funds

	2018	2017
	£	£
Development fund	30,375	30,375
Asher Hyman fund	3,251	3,251
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	<u>35,625</u>	<u>35,625</u>

12 Capital

The Company is a company limited by guarantee not having a share capital.
The liability of members is limited to £20 each in the event of a winding up of the Company.



Section A

Independent Examiner's Report

**Report to the
trustees/directors/
members of**

Hatch End Masorti Synagogue

**On accounts for the year
ended**

31 December 2018

£

Charity no.:

1080951

Company no.:

03899916

Set out on pages

1 to 11

I report to the charity trustees on my examination of the accounts of the Company for the year ended **31 / 12 / 2018**.

**Responsibilities and
basis of report**

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

**Independent
examiner's statement**

[The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:		Date:	2 June 2019
Name:	David Ross		
Relevant professional qualification(s) or body (if any):	ICAEW FCA		
Address:	4 Gippeswyck Close, Pinner HA5 3QT		

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

None