

Charity Registration No. 1135296

Company Registration No 07115198 (England and Wales)

HENDON REFORM SYNAGOGUE
COUNCIL MEMBERS' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 28 FEBRUARY 2011



HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary officers	Mr D R Marks (President) Mr S Abbey (Vice president) Mr S L Isaacs (Vice president)
Council	Mr P A Bright (Vice chairman) Mrs S E Davies Mrs D K B Gosen Mr P S V Joseph Mr K R J Maddison Mr M D Marlowe Mr R B Mendoza (Treasurer) Mr A H Owen (Chairman) Mr M J Ozin Mr L I Permutt Mr K E Sander Mr E G Shirman (Secretary) Mr L Stein
Senior minister Minister	Rabbi S Katz BA Hons Rabbi Y Keren MA CEng
Administrator	Mrs R Bloom
Charity number	1135296
Company number	07115198
Principal address and registered office	Danescroft Avenue Hendon London NW4 2NA
Auditors	Gerald Edelman 1238 High Road Whetstone London N20 0LH
Bankers	Barclays Bank Plc 126 Station Road Edgware HA8 7RY

HENDON REFORM SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Howard Kennedy
19 Cavendish Square
London
W1A 2AW

Investment advisors

The Roberts Partnership
80 Mosley Street
Manchester
ME2 3FX

HENDON REFORM SYNAGOGUE

CONTENTS

	Page
Council Members' report	1 - 6
Statement of Council Members' responsibilities	7
Independent auditors' report	8 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the accounts	12 - 25

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT

FOR THE PERIOD ENDED 28 FEBRUARY 2011

The Council presents its report and accounts for the period ended 28 February 2011.

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

Structure, governance and management

The Synagogue is a company limited by guarantee. The company was incorporated on 4 January 2010 and with effect from 1 March 2010 it acquired all the assets and liabilities of its predecessor, Hendon Reform Synagogue, an exempt charity. It is governed by its memorandum and articles of association together with rules and bye laws made for the proper conduct and management of the Synagogue.

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

Mr P A Bright (Vice chairman)	(Appointed 4 January 2010)
Mrs S E Davies	(Appointed 4 January 2010)
Mrs D K B Gosen	(Appointed 25 July 2010)
Mr P S V Joseph	(Appointed 4 January 2010)
Mr K R J Maddison	(Appointed 4 January 2010)
Mr M D Marlowe	(Appointed 25 July 2010)
Mr R B Mendoza (Treasurer)	(Appointed 4 January 2010)
Mr A H Owen (Chairman)	(Appointed 4 January 2010)
Mr M J Ozin	(Appointed 4 January 2010)
Mr L I Permutt	(Appointed 4 January 2010)
Mr K E Sander	(Appointed 4 January 2010)
Mr E G Shirman (Secretary)	(Appointed 4 January 2010)
Mr L Stein	(Appointed 4 January 2010)
Mrs N R Olins	(Appointed 4 January 2010 and resigned 10 March 2010)
Mr J Burns	(Appointed 4 January 2010 and resigned 2 February 2010)
Mr M J Williams	(Appointed 4 January 2010 and resigned 4 July 2010)

Members of the Synagogue who have been members for an unbroken period of not less than two years and are over 21 years of age may stand for election to the Council. The first members of the Council are those notified to Companies House as the first members of the Council of the Synagogue but subsequent Council members are generally appointed at the Annual General Meeting.

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

The induction process of newly appointed Council members comprises an initial meeting with Council members followed by short meetings with key members of staff. They are provided with a welcome pack which includes the memorandum and articles of association and bye laws of the Synagogue, the last three years accounts which currently include accounts of the predecessor organisation and the Charity Commission's guidance "The Essential Trustee".

Council members are covered by indemnity insurance. The annual premium is £779.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

The Synagogue is run by a Council of up to twenty members who are elected at the Annual General Meeting. In addition, the Council can co-opt up to three additional members. The Council generally makes decisions based on the recommendations of appropriate sub committees.

Day to day running of the Synagogue is overseen by the Synagogue administrator.

Hendon Reform Synagogue is a constituent member of the Movement for Reform Judaism ("MRJ"). The MRJ supports individuals, rabbis and synagogues in communities across the UK to meet their spiritual, social and educational needs.

The Council have assessed the major risks to which the Synagogue is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The Synagogue is a congregation following the Jewish religion with the aims of providing and maintaining a place for the purpose of public worship and advancing religious, educational and charitable activities. The restricted funds comprise donations received for specific use within the Synagogue together with funds held for particular charities and charitable activities. The policies adopted in furtherance of these objects are to conduct a range of religious services and ceremonies, provide a Jewish education both to children and adults, provide nursery school facilities, organise a range of social, educational and cultural events and provide support within the community. There has been no change in these during the period.

The Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Charity Commission in its Charities and Public Benefit guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit, firstly, there must be an identifiable benefit or benefits and secondly, that the benefit must be to the public or a section of the public. The Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Synagogue should undertake and consider that they have complied with Section 4 of the Charities Act 2006 and the guidance in respect of public benefit.

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

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

The Synagogue has a religion school for children from Reception age up to year 12. The religion school meets on Sunday mornings and is supported by Valerie Boyd-Hellner our director of Education and Deborah Bright, the school administrator. Our GCSE class, led by Rabbi Steven Katz, meets on Sunday mornings. This year it has been extended to accommodate children who wish to start the course at year 8. We run a successful Bar/Bat Mitzvah class on Saturdays before the morning service. In addition to formal classes we have a range of formal and informal activities for children of all ages, including school trips, parties and social activities.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

Adult Education is one of our major offerings to community members and visitors alike. Both Rabbis carry out a Torah Breakfast at least once a month before the Saturday morning service. We have an adult education programme on Sunday mornings, which includes the provision of Hebrew classes (beginners and intermediate) and a series of lectures on religious, cultural, political and social affairs. Access to all our classes is free to members and visitors.

A number of successful religious and social events took place during the year. We had a tea for senior members, organised by the caring committee. Our annual second-night Seder continues to be popular for people of all ages. Mitzvah day, organised by Rabbi Yuval Keren and Valerie Boyd-Hellner attracted a great deal of participation and our annual bazaar.

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

Report from Rabbi Steven Katz BA (Hons)

The nineteenth century hasidic rebbe, Menachem Mendel of Kotsk, once asked his followers if they knew where God could be found. "Of course," they responded "the whole world is filled with God's glory." "No," replied Menachem Mendel "God is to be found wherever you let Him in."

There are parts of the world where prejudice prevails, intolerance invades and violence rampages. There are families beset by indifference and selfishness, there are workplaces where competition and jealousy lurk in every corner rather than teamship and harmony. There are too many places where God is not granted access.

The Synagogue, the Shul, our Shul, is a place, a home, a family, where so many through their generosity of time, effort, care, have allowed God to be found and embraced. From those who devote hours of their lives on Shul committees discussing how best to address the needs of our young and our old, their physical and their spiritual requirements, to those who are part of our Shabbat minyan, attend classes and lectures, help on cheder security rota, produce Sh'ma magazine and support our bereaved and homebound - you all help to bring God into the lives of others. I hope that your generosity of time, thought, effort and care has allowed you also to see God in yourself. May I express my profound appreciation to all who have organized and supported the activities of our shul during these past twelve months. May you be blessed with good health and strength of will to continue to seek and to discover God in the endeavours of all those who labour so lovingly for the spiritual and physical wellbeing of the members of Hendon Reform Synagogue.

Report from Rabbi Yuval Keren MA CEng

This year I set a target to develop the Adult Education programme on Sunday mornings. We had around thirty meetings during the year. Laurence Stein taught basic Hebrew, mostly to parents of children at our Religion school. I taught intermediate Hebrew and Judaism classes. We are planning to continue these classes in the next academic year (September 2011) and I hope that others in the community will take advantage of this offering. This year we will conduct our first High Holy Day family service on the morning of Rosh Hashanah. I am currently busy developing the liturgy for the service. We are planning to extend this offering to the morning of Yom Kippur in future years.

I have continued my support for Rabbi Katz and the community in leading Shabbat and Festival services, conducting funerals and Shivas, officiating at weddings and supporting Bar/Bat Mitzvah children and their families. We had a very successful Seder night and Yom Ha'atzmaut (Israel Independence Day) celebration and in June we had a fantastic Tikkun Leil Shavuot evening studying through the night with four other synagogues in our area. The response of MRJ members to this event has doubled since last year and I hope that it will continue to increase in the future. I have led a Shabbat children service once a month and joined Valerie Boyd-Hellner and the Synagogue's youth in a fantastic Youth service once a term. From September 2011 we intend to continue with children services and increase the Youth services to twice per term and I hope that both children and their parents will enjoy this opportunity to participate.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

In November both the Religion School and the community's adults took part in Mitzvah Day. The community conducted ten activities, including a visit to the Otto Schiff Jewish Care home, packing parcels for Barnardo's children, collecting food and clothing for the homeless in our area and for Jewish communities across in Eastern Europe and preparing place mats for Norwood children. The event was a tremendous success thanks to the overwhelming response of the community to the call to perform a Mitzvah.

I was invited to provide Rabbinic input to the Sh'ma magazine and found my involvement very useful. I also continued with the production of the Shabbat welcome sheets and the Torah and Haftarah readings.

Report of the Chairman, Mr A H Owen

I am now coming up to the end of my second year as Chairman of HRS and it gives me great pleasure to report to you as follows:

Our Executive Committee and Council meet monthly to ensure the smooth running of the Synagogue and have again done a fantastic job and I thank them all. We constantly need to keep abreast of what is happening within our Synagogue and I genuinely admire all Executive & Council members who without exception took a day off work, midweek to attend an 'away day' that we planned to look at the Synagogue's future and needs in the coming years.

Apart from ensuring every area of our Synagogue is running to the best of its ability, we have as a team, negotiated and sold 16, Danescroft Gardens which was the home of Mrs Inge Katz and the late Dr Arthur Katz and have carefully invested the proceeds of this sale to ensure it provides not only an income to look after Mrs Katz for the rest of her life, but also that the Community has investments for the future.

Our Nursery School is going from strength to strength and has again received exceptional praise from Ofsted. We have been able to expand the number of hours and available places within the school and I am pleased to report that due to its success, there is also a waiting list.

The Kingsley Fisher Hall is used for art classes, keep fit, Israeli & Zumba dance classes, JACS, League of Jewish Women, Association of Jewish Refugees, Jewish Lads and Girls Brigade, FZY & BBYO - to name but a few and has also been hired out in the past year for a multitude of events from Bar & Bat Mitzvah parties to Quiz Evenings. This all brings in added revenue to the Synagogue.

Our Services Committee under the Chairmanship of Laurence Permutt has overseen the smooth running of our Shabbat and High Holy Day services and we thank all involved in this. We have had 19 Bar & Bat Mitzvot, 3 Aufruf's, 10 Weddings and 2 Baby Blessings in the last year - all of which enhances the atmosphere of our Synagogue and gives nachus to so many families. Our Head of Education, Valerie Boyd-Hellner has ensured our Youth are constantly stimulated with special services during the year and Rabbi Yuval has worked hard to create a following of dedicated parents and children who attend the monthly children's service. We all owe Rabbi Steven Katz and Rabbi Yuval Keren a debt of gratitude for the many hours, over and above their working weeks that they put in at our Synagogue. Thank you both sincerely.

The Chavurah Group provides a bi-monthly communal supper after a Friday night service and again the Synagogue offered a Communal Seder which was very well attended on second night Pesach. Our Chanukah bazaar was a great success, both socially and financially as was the second 'afternoon tea' that was put on by our Caring Committee. A big thank you to all who have given their time to help on these functions.

A new Membership Committee was formed this year under the chairmanship of Laurence Stein who with the help of his team, created a membership survey to which around 25% of the congregation replied. This gave us greater insight into what you as our members liked best about our Synagogue and also certain suggestions on improvements that could be made and we are working on these now.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

The HRS website has been improved (www.hendonreform.org.uk) and this along with our bi-monthly Shul magazine, Sh'ma, keeps us all updated on past and future events and news within the Community. Our thanks go out to Sh'ma's Editor, Larry Ross and his hard working team who produce our magazine on a voluntary basis. This along with Rabbi Yuval's weekly e-flyer keeps all our congregants informed and aware of what is on offer through the Synagogue.

As most of you will know, we are now a registered charity. Fundraising in today's financial climate is not easy but I would ask you all to consider joining a worthy cause, our Synagogue lottery where if you all joined and paid the equivalent of 10p per day, it would help raise £27,000 towards our Synagogue funds. With a monthly prize of £250 it is a great incentive and also a great support to your Synagogue.

Lastly ..but not least, I would like to thank the Synagogue's Professional Staff, Volunteers to all groups and anyone who sits on a committee or helps our Synagogue in any way. This makes my time as Chairman enjoyable and more fulfilling.

Financial review

There is a finance subcommittee which sets an annual budget, monitors performance against budget and meets at least four times a year. Since the year end an investment subcommittee has been formed and they have appointed a firm of independent financial advisors, The Roberts Partnership, to manage the Synagogue's investments.

It is the policy of the Synagogue that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Synagogue's current activities while consideration is given to ways in which additional funds may be raised. However, it has not been possible to maintain this level of reserves during the period due to current economic conditions and the need to provide for the Synagogue's financial commitments. The free reserves at the period end were £51,325.

The difficult economic climate has had an impact on membership subscriptions received in the period which comprises the Synagogue's principal source of funding. Expenditure was incurred mainly on the day to day running of the Synagogue and its services. In addition 17 1/2% of the Synagogue's subscription income is paid to the Movement for Reform Judaism to support its activities.

The Synagogue also runs a nursery school which is funded wholly by fees charged to pupils.

The Statement of Financial Activities on page 10 discloses the Trust's net movement in funds for the year of £608,530, which results in increased total funds at the balance sheet date of £1,804,597.

The increase in funds includes a surplus of £748,116 on the sale of a house which was occupied by the late Rabbi's wife. In order to obtain an income to finance the financial commitment to provide her with sheltered accommodation the majority of the proceeds which amounted to £753,116 have now been invested. However, The Synagogue has free reserves of only £400,000 available to transfer to a designated fund created for this purpose.

Plans for the future

Our Council continued to give consideration to the future direction of the Synagogue. We have conducted a survey where members had the opportunity to let Council know what they value about our community and their wishes for the future. Following the survey we had an away-day where we discussed the vision for the future and the range of facilities and services we should offer. In the next year Council will continue to strive to improve our offering and improve our support for our members and the wider community.

HENDON REFORM SYNAGOGUE

COUNCIL MEMBERS' REPORT (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

Auditors

Gerald Edelman were appointed auditors to the company, a resolution proposing that they be re-appointed will be put to the members

On behalf of the Council


Mr A H Owen (Chairman)

Dated: 4 July 2011

GERALD EDELMAN IS ELIGIBLE TO ACT AS AN AUDITOR
IN TERMS OF SECTION 1212 OF THE COMPANIES ACT 2006

HENDON REFORM SYNAGOGUE

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

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

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

In preparing these accounts, the Council is required to

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

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

In so far as the trustees are aware,

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

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the Synagogue's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITORS' REPORT

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

We have audited the accounts of Hendon Reform Synagogue for the period ended 28 February 2011 which comprise the statement of financial activities, the balance sheet and related notes. 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 43 of the Charities Act 1993 and regulations made under section 44 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditors

As explained more fully in the statement of Council Members' responsibilities, the Council, who are also the directors of Hendon Reform Synagogue for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The Council have elected for the accounts to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2011 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

HENDON REFORM SYNAGOGUE

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Council Members' Report is inconsistent in any material respect with the accounts, or
- the charitable company has not kept adequate accounting records, or
- the accounts 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.



Gerald Edelman

Chartered Accountants

Statutory Auditor

1238 High Road

Whetstone

London

N20 0LH

Dated: 5 July 2011

HENDON REFORM SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 28 FEBRUARY 2011

	Notes	Unrestricted funds £	Restricted funds £	Total 2011 £
<u>Incoming resources from generated funds</u>				
Donations and legacies	2	531,940	19,675	551,615
Activities for generating funds	3	29,639	-	29,639
		561,579	19,675	581,254
Incoming resources from charitable activities	4	179,739	-	179,739
Other incoming resources	5	748,116	-	748,116
Total incoming resources		1,489,434	19,675	1,509,109
<u>Resources expended</u>				
	6			
Costs of generating funds				
Support costs		87,024	-	87,024
Fundraising costs and publicity		11,425	-	11,425
		98,449	-	98,449
Net incoming resources available		1,390,985	19,675	1,410,660
Charitable activities				
Services and festivals		301,801	65,842	367,743
Education		237,884	922	238,806
Community support		24,495	-	24,495
Funeral and cemetery		113,292	10,425	123,717
Total charitable expenditure		677,472	77,289	754,761
Governance costs		33,139	-	33,139
Other resources expended		14,230	-	14,230
Total resources expended		823,290	77,289	900,579
Net income/(expenditure) for the year/ Net movement in funds		666,144	(57,614)	608,530
Fund balances transferred from Hendon Reform Synagogue at 1 March 2010		811,891	384,176	1,196,067
Fund balances at 28 February 2011		1,478,035	326,562	1,804,597

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

HENDON REFORM SYNAGOGUE

BALANCE SHEET

AS AT 28 FEBRUARY 2011

	Notes	2011 £	£
Fixed assets			
Intangible assets	13		525,424
Tangible assets	14		501,286
			<u>1,026,710</u>
Current assets			
Debtors	15	56,608	
Cash at bank and in hand		821,540	
		<u>878,148</u>	
Creditors: amounts falling due within one year	16	(100,261)	
Net current assets			<u>777,887</u>
Total assets less current liabilities			<u>1,804,597</u>
Income funds			
Restricted funds	18		326,562
Unrestricted funds			
Designated funds	19	400,000	
General fund			1,078,035
			<u>1,804,597</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 28 February 2011, although an audit has been carried out under section 43 of the Charities Act 1993. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

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

The accounts were approved by the Council on 4 July 2011


Mr A H Owen (Chairman)


Mr R B Mendoza (Treasurer)

Company Registration No. 07115198

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 28 FEBRUARY 2011

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The Synagogue has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Synagogue.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, 'Accounting and Reporting by Charities' ("SORP"), issued in March 2005 and the Companies Act 2006

1.2 Incoming resources

Donations comprise amounts received during the year. Legacies are credited in the year in which they are receivable. The Council does not regard a legacy as receivable until it can be measured with reasonable certainty and probate has been granted in respect of the legatee's estate.

Assets given for use by the Synagogue are recognised as incoming resources when receivable and are brought into the accounts at estimated cost

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

Income tax recoverable has been included to the extent that it arises on subscriptions and other income received under gift aid in the year

Interest received is accounted for on an accruals basis

1.3 Resources expended

Resources expended are accounted for on an accruals basis. The Synagogue is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT

Resources expended on generating voluntary income include the costs incurred by the Synagogue in generating membership subscriptions, voluntary income including donations and legacies, and on fundraising and other activities to raise funds

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

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

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

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

1 Accounting Policies

(continued)

1.4 Tangible fixed assets and depreciation

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

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

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

Computer & other equipment	25% and 20% respectively per annum
Plant and machinery	7 1/2% per annum
Fixtures & fittings	10% per annum

1.5 Pensions

Contributions in respect of the Synagogue's defined contribution pension scheme are charged in the statement of financial activities for the year in which they are payable to the scheme.

1.6 Fund accounting

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

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

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

1.7 Burial rights

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

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2011 £
Donations and gifts	<u>531,940</u>	<u>19,675</u>	<u>551,615</u>
Donations and gifts			
Unrestricted funds			
Membership subscriptions			426,224
Income tax recoverable on membership subscriptions			94,911
High Holyday Appeal			7,965
Other donations			2,840
			<u>531,940</u>
Restricted funds			
Donations for Board of Deputies			6,936
Donations for general charitable purposes			5,402
UJIA			2,606
Jewish Blind and Disabled			3,631
Jack Petchey Award			600
Tree of Life			500
			<u>19,675</u>

3 Activities for generating funds

	2011 £
Unrestricted funds	
Use of hall	14,111
Fundraising	14,090
Synagogue Magazine	1,438
	<u>29,639</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

4 Incoming resources from charitable activities

	2011 £
Nursery school	107,226
Education	5,420
Funeral and cemetery	43,472
Services and festivals	23,621
	<u>179,739</u>

5 Other incoming resources

	2011 £
Net gain on disposal of fixed assets	<u>748,116</u>

The gain arises on the disposal of freehold property

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2011 £
Costs of generating funds					
Support costs	64,206	609	22,209	-	87,024
Fundraising costs and publicity	-	-	11,425	-	11,425
Total	64,206	609	33,634	-	98,449
Charitable activities					
Services and festivals					
Activities undertaken directly	209,041	575	8,611	-	218,227
Grant funding of activities	-	-	-	14,802	14,802
Support costs	44,141	5,193	85,380	-	134,714
Total	253,182	5,768	93,991	14,802	367,743
Education					
Activities undertaken directly	152,960	922	11,444	-	165,326
Support costs	24,077	2,832	46,571	-	73,480
Total	177,037	3,754	58,015	-	238,806
Community support					
Support costs	8,026	944	15,525	-	24,495
Funeral and cemetery					
Activities undertaken directly	-	25,020	86,451	-	111,471
Support costs	4,013	472	7,761	-	12,246
Total	4,013	25,492	94,212	-	123,717
	442,258	35,958	261,743	14,802	754,761
Governance costs	16,051	102	16,986	-	33,139
Other resources expended	-	-	14,230	-	14,230
	522,515	36,669	326,693	14,802	900,579

Other resources expended comprise pension and accommodation costs incurred in respect of the late Rabbi's wife.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

7	Activities undertaken directly	2011
		£
	Other costs relating to services and festivals comprise	
	Direct services costs	7,996
	Wolf Goodman Kiddush paid from restricted fund	615
		<u>8,611</u>
	Other costs relating to education comprise	
	Religion school educational materials and other costs	3,159
	Nursery school educational materials and other costs	8,285
		<u>11,444</u>
	Other costs relating to funeral and cemetery comprise	
	Undertaker's fees	30,300
	Contributions to members' funerals	23,676
	Cemetery repairs and service charges	25,151
	Other funeral and cemetery costs	7,324
		<u>86,451</u>
8	Grants payable	Total
		2011
		£
	Grants to institutions	
	The Board of Deputies of British Jews	7,620
	Jewish Blind and Disabled	3,581
	UJIA	2,606
	Exodus 2000	360
	Hafti appeal	635
		<u>14,802</u>

The Board of Deputies of British Jews is a national representative body of the Jewish community, and is the chief voice of British Jewry, Jewish Blind and Disabled is a charity which provides sheltered living housing for visually and physically disabled people; UJIA's strategy is designed to help guarantee a sustainable and positive future for the people of the Galil and the Jewish community in th UK and Exodus 2000 encourages communities in the UK to adopt or to "twin with" communities in the former Soviet Union.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

9 Support costs

	Services and festivals £	Education £	Community support £	Funeral and cemetery £	Carried forward £
Premises costs	32,529	17,743	5,915	2,957	59,144
Administration and other costs	7,593	4,142	1,381	690	13,806
Staff costs	44,141	24,077	8,026	4,013	80,257
Depreciation	5,193	2,832	944	472	9,441
MRJ affiliation fee	45,258	24,686	8,229	4,114	82,287
	134,714	73,480	24,495	12,246	244,935

	Brought forward £	Activities for generating funds £	Governance costs £	Total 2011 £
Premises costs	59,144	7,868	-	67,012
Administration and other costs	13,806	14,341	1,657	29,804
Staff costs	80,257	64,206	16,051	160,514
Depreciation	9,441	609	102	10,152
MRJ affiliation fee	82,287	-	-	82,287
	244,935	87,024	17,810	349,769

10 Governance costs

	2011 £
Other governance costs comprise	
Council members indemnity insurance	779
Legal fees	5,459
Auditor's remuneration	9,091
Other administrative support costs	1,657
	16,986

Governance costs includes payments to the auditors of £3,891 for non audit services.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

11 Council

Mrs D Bright, the wife of a Council Member, Mr P Bright, is employed by the Synagogue in the religion school at normal rates and on normal terms. Her salary was £12,106. No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the period.

12 Employees

Number of employees

The average monthly number of employees during the period was

	2011 Number
Services	3
Nursery school	3
Education	3
Management and administration	5
	<hr/>
	14
	<hr/> <hr/>

Employment costs

	2011 £
Wages and salaries	460,303
Social security costs	40,043
Other pension costs	22,169
	<hr/>
	522,515
	<hr/> <hr/>

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

	2011 Number
Rabbis	1
	<hr/> <hr/>

Contributions totalling £ 14,100 were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

13 Intangible fixed assets	Burial rights £
Cost	
Transferred from Hendon Reform Synagogue 1 March 2010 and at 28 February 2011	<u>681,437</u>
Amortisation	
Transferred from Hendon Reform Synagogue 1 March 2010	130,993
Charge for period	<u>25,020</u>
At 28 February 2011	<u>156,013</u>
Net book value	
At 28 February 2011	<u><u>525,424</u></u>

Intangible fixed assets which comprise burial rights have been transferred from the company's predecessors, Hendon Reform Synagogue, at cost or valuation less accumulated depreciation. Such rights held at 29 February 2004 have been valued at market value based on the expected purchase price of equivalent spaces. Additions are included at cost.

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

14 Tangible fixed assets

	Land and buildings	Computer & other equipment	Plant and machinery	Fixtures & fittings	Scrolls, silver & other religious artefacts	Total
	£	£	£	£	£	£
Cost						
Transferred from Hendon Reform Synagogue 1 March 2010	205,065	39,209	223,621	101,726	190,000	759,621
Disposals	(5,000)	-	-	-	-	(5,000)
At 28 February 2011	<u>200,065</u>	<u>39,209</u>	<u>223,621</u>	<u>101,726</u>	<u>190,000</u>	<u>754,621</u>
Depreciation						
Transferred from Hendon Reform Synagogue 1 March 2010	-	33,792	144,269	63,625	-	241,686
Charge for the period	-	1,156	5,951	4,542	-	11,649
At 28 February 2011	<u>-</u>	<u>34,948</u>	<u>150,220</u>	<u>68,167</u>	<u>-</u>	<u>253,335</u>
Net book value						
At 28 February 2011	<u>200,065</u>	<u>4,261</u>	<u>73,401</u>	<u>33,559</u>	<u>190,000</u>	<u>501,286</u>

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

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

Freehold land and buildings have not been valued but their value for insurance purposes including stained glass windows is £4,000,000

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

15 Debtors	2011
	£
Other debtors	41,837
Prepayments and accrued income	14,771
	<u>56,608</u>
16 Creditors: amounts falling due within one year	2011
	£
Other creditors	15,984
Accruals	54,518
Deferred income	29,759
	<u>100,261</u>
17 Pension and other post-retirement benefit commitments	
Defined contribution	2011
	£
Contributions payable by the company for the period	<u>22,169</u>

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

18 Restricted funds

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

	Transfer 1 March 2010	Movement in funds		Balance at 28 February 2011
		Incoming resources	Resources expended	
	£	£	£	£
Specific Synagogue purposes	334,797	1,100	(62,487)	273,410
Appeal funds for charitable purposes	49,379	18,575	(14,802)	53,152
	<u>384,176</u>	<u>19,675</u>	<u>(77,289)</u>	<u>326,562</u>

The funds were transferred from Hendon Reform Synagogue on 1 March 2010

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

The fund for specific Synagogue purposes includes a donation of £300,000 from the Sydney Kingsley Trust, £250,000 of which was donated for the specific purpose of redeeming the bank loan taken out to enable the Synagogue to purchase burial rights at Edwarebury Lane and so the proportionate amount of depreciation on such rights has been charged to the fund. The balance of the donation as at 28 February 2011 was £191,949

Appeal funds for specific charities represent funds raised by the High Holyday appeal and other appeals which have been or will be paid to charities

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2011

19 Designated funds

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

	Movement in funds			Balance at 28 February 2011
	Incoming resources	Resources expended	Transfers	
	£	£	£	£
Designated fund	-	-	400,000	400,000
	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>

Accommodation owned by the Synagogue and occupied by a late Rabbi's wife until November 2010 has been sold £400,000 out of the proceeds of £753,116 has been transferred to a designated fund. Income earned on this fund will be used to meet the commitment explained in note 21

20 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 28 February 2011 are represented by:				
Intangible fixed assets	198,862	-	326,562	525,424
Tangible fixed assets	501,286	-	-	501,286
Current assets	478,148	400,000	-	878,148
Creditors: amounts falling due within one year	(100,261)	-	-	(100,261)
	<u>1,078,035</u>	<u>400,000</u>	<u>326,562</u>	<u>1,804,597</u>

21 Commitments

In 1971 the Company's predecessors, Hendon Reform Synagogue, agreed to provide a pension, currently £6,600 per annum and accommodation costs, currently £26,000 per annum to the wife of the late Rabbi. The Company intends to honour this agreement in accordance with legal advice obtained from the Company's solicitors.

Accommodation was provided rent free in a house owned by the Synagogue until November 2010 since which date sheltered accommodation has been provided

HENDON REFORM SYNAGOGUE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2011

22 Transfer of assets and liabilities

The charity was incorporated as a company limited by guarantee on 4 January 2010. The assets and liabilities of its predecessors, Hendon Reform Synagogue, an exempt charity, were transferred to the company on 1 March 2010 at book value.