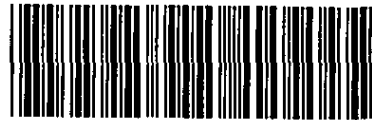


Charity Registration No. 1135296

Company Registration No 07115198 (England and Wales)

**HENDON REFORM SYNAGOGUE**  
**COUNCIL MEMBERS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2012**

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# HENDON REFORM SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Honorary officers</b>	Mr D R Marks (President) Mr S Abbey (Vice president) Mr S L Isaacs (Vice president)
<b>Council</b>	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
<b>Senior minister</b> <b>Minister</b>	Rabbi S Katz BA Hons Rabbi Y Keren MA CEng
<b>Administrator</b>	Mrs R Bloom
<b>Charity number</b>	1135296
<b>Company number</b>	07115198
<b>Principal address and registered office</b>	Danescroft Avenue Hendon London NW4 2NA
<b>Auditors</b>	Gerald Edelman 1238 High Road Whetstone London N20 0LH
<b>Bankers</b>	Barclays Bank Plc 126 Station Road Edgware HA8 7RY

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# HENDON REFORM SYNAGOGUE

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Solicitors

Howard Kennedy  
19 Cavendish Square  
London  
W1A 2AW

### Investment advisors

The Roberts Partnership  
80 Mosley Street  
Manchester  
ME2 3FX

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# **HENDON REFORM SYNAGOGUE**

## **COUNCIL MEMBERS' REPORT**

### **FOR THE YEAR ENDED 29 FEBRUARY 2012**

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The Council presents it's report and accounts for the year ended 29 February 2012

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the special provisions relating to small companies within part 15 of the Companies Act 2006 the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and comply with the Synagogue's governing document,

#### **Structure, governance and management**

The Synagogue is a company limited by guarantee 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 year were

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

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 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 £536

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

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# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 29 FEBRUARY 2012

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Each year the Council assesses the major risks to which the Synagogue is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

There are significant external risks to funding exacerbated by the difficult economic climate and so a Strategy Group has been formed to assist the Council

Internal control risks are minimised by procedures for the authorisation of transactions

Investment risk is managed by the appointment of external investment advisors who make recommendations to an Investment Committee

Appropriate Criminal Records Bureau (CRB) checks are made on all those who work with children or other vulnerable groups

#### **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 year.

The Charities Act 2011 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 2011 and the guidance in respect of public benefit.

The Synagogue conducts religious services on Friday evenings, Saturday mornings, Jewish festivals and High Holydays. 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 and accommodates 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.

Adult Education is one of our major offerings to community members and visitors alike. Torah Breakfasts are held 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.

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# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2012**

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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)**

A full Nursery School, monthly young children services attracting fifteen or more children, full cheder participation in Mitzva Day, bar/batmitzvah class holiday outings, the largest Jewish Studies GCSE class, all auger well for the future of Hendon Reform Synagogue

A cadre of devoted congregants bringing senior members to shul for Shabbat/Yom Tov services, a wonderful Caring Committee that offers home and hospital visits, shopping, and an annual shul Tea Party ensures that we look equally after our senior congregants

Then there is, to use the political jargon, the squeezed middle, those whose time is squeezed between looking after young school children and elderly parents. We also need a little of your time. Why?

We would like some congregants to offer to drive our elderly congregants to shul, we would like more congregants to join in our Torah breakfast on Shabbat mornings. We would like more congregants to come to our Shabbat morning services and so connect with God, community and heritage

Speak to anyone involved in shul life and I am sure that what they have taken from the shul - sense of purpose, identity, joy, friendship - matches what they have given

The Hebrew word for "give" - "natan" is a palindrome, which can be read right to left, or left to right, so conveying a sense of mutual reciprocity. This reciprocity is the essence of shul life

So please come forward give and take in equal measure and take joy in both your giving and taking

### **Report of the Chairman, Mr A H Owen**

I believe this has been the most difficult year in HRS' history, both financially and for us as a community. Financially, we have had to make cutbacks that have had far reaching ramifications for the individuals involved and also for us as a community. We will, I promise you, come out of this stronger, more knowledgeable and with definite plans for our Synagogue's future and growth

On that note, the Strategy Group which evolved from a group of members volunteering to help Council at the EGM held in December 2011, have done a huge amount of work. They have split into groups, looked at various scenarios, suggestions and projects and have worked through these to make recommendations (initially to Council) and will report to you, our members, at the AGM. These thoughts and findings will pave the way for our Synagogue's future. Council thanks all involved for their hard work and help

I am now coming to the end of my third year of a four year term as Chairman and I am planning to ensure the Synagogue is led by new and enthusiastic members whose interest in helping and building our community is paramount. We have at least four new proposals for Council members who we hope will be voted on to Council at the AGM and with them and support from the existing Council (who I thank for the help and support they have given both me and the Synagogue over this past year) we will I assure you, have strong leadership in the future

Our nursery school continues to thrive with parents putting their child's name down early to secure a place. We again received good comments from Ofsted, commenting particularly on the range of stimulating and varied learning and development experiences that are differentiated to meet the individual child's needs. The nursery works well to promote and support the needs of children with special educational needs and/or disabilities and provide all of the children with the skills they will need to give them a good start at primary school

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2012**

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The Kingsley Fisher Hall has been used for Art & Keep Fit classes, Israeli & Zumba dancing 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 and ensures that our lifeblood, people, are constantly entering the building.

The Synagogue has hosted fifteen B'nei B'not Mitzvah, eight Shabbat Chatanim [Aufruf], ten Weddings and six Baby Blessings in the last year. 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. These services and simchas not only bring new people into the Synagogue but enhance the atmosphere and give nachas to so many families.

My thanks again to our Services committee under Chairmanship of Laurence Permutt. The smooth running of all our services alongside the appointment of our new choirmaster Joseph Finlay is a great support to our Rabbis and an enjoyment to us all as members. Joseph is starting to introduce some new tunes into our services and this alongside a trial 'members' choir' where he will help participants join in and learn certain words and melodies, is a refreshing change and certainly creates more service participation. Welcome and thank you Joseph. Our 'Family Service' held in The Kingsley Fisher Hall at Rosh Hashanah was a huge success. As we were at capacity, it will be enlarged this year and we will also add a Yom Kippur family service, enabling all generations to be together or to take part in our more traditional service in the Synagogue.

Our Chavurah Group continues to meet bi-monthly (we would like to see more of you joining this group please) on a Friday evening following a short service. Our Communal Seder was a great success once more and our Chanukah Bazaar raised over £1,300 towards Synagogue funds. This was both a financial and social success. Sh'ma, our bi-monthly magazine which has been under the editorship of Larry Ross for many years until his recent retirement is now being looked after by Diana Gosen with Larry still very much involved on the editorial board. We thank all involved in the magazine and all Synagogue members who help in all activities including the Kiddush's each week. We could not function without your help and support. A big thank you also to our Caring Committee, who do a wonderful job visiting our infirmed and needy members and making food for them when needed or when a close relative passes away.

The S O S appeal to bolster our funds raised over £36,000 and the HHD'S appeal raised over £30,000 in total so thank you all for supporting these causes and your Synagogue.

Lastly but not least, I would like to thank Rabbi Steven, the Synagogue's Professional Staff, Volunteers to all groups and anyone who sits on a committee or helps our Synagogue in any way. Your help and participation makes my time as Chairman more enjoyable and more fulfilling. We are sad to lose Rabbi Yuval from our rabbinical team and Shirley Burns from our office staff. We wish Rabbi Yuval and his family all the very best in the future and hope they and Shirley will retain the close ties they have built up over the years with us.

### **Financial review**

There is a finance subcommittee which sets an annual budget, monitors performance against budget and meets at least four times a year. An investment subcommittee was formed during the year 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 month's 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. The free reserves at the period end were £215,633.

# HENDON REFORM SYNAGOGUE

## COUNCIL MEMBERS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2012**

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The difficult economic climate continues to have an impact on membership subscriptions received 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 £82,434, which results in decreased total funds at the balance sheet date of £1,722,163.

The increase in funds in the previous year of £748,116 included a surplus 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 had free reserves of only £400,000 available to transfer to a designated fund created for this purpose.

The aim of the investment portfolio is to achieve medium to longer term growth whilst providing income. This is to be achieved by investing into a balanced portfolio of funds that allow for diversification across all the major asset classes and across reputable investment houses.

The value of the investments decreased from £709,449 to £697,073 and this, whilst disappointing, was expected in the light of current market conditions.

Investment income amounted to £11,519.

### **Plans for the future**

As explained in the Chairman's report, a Strategy Group has been formed to make recommendations to Council as regards the Synagogue's future and will report to the members at the AGM.

### **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 11 June 2012



# HENDON REFORM SYNAGOGUE

## STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

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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 year

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

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We have audited the accounts of Hendon Reform Synagogue for the year ended 29 February 2012 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 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 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 29 February 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Emphasis of matter**

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

# HENDON REFORM SYNAGOGUE

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE COUNCIL OF HENDON REFORM SYNAGOGUE

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

We have nothing to report in respect of the following matters where the Charities Act 2011 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 11 June 2012

Gerald Edelman is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# HENDON REFORM SYNAGOGUE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 29 FEBRUARY 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
<b><u>Incoming resources from generated funds</u></b>					
Donations and legacies	2	567,038	40,311	607,349	551,615
Activities for generating funds	3	33,167	-	33,167	29,639
Investment income	4	11,327	192	11,519	-
		<u>611,532</u>	<u>40,503</u>	<u>652,035</u>	<u>581,254</u>
Incoming resources from charitable activities	5	220,305	-	220,305	179,739
Other incoming resources	6	-	-	-	748,116
<b>Total incoming resources</b>		<u>831,837</u>	<u>40,503</u>	<u>872,340</u>	<u>1,509,109</u>
<b><u>Resources expended</u></b>					
7					
<b>Costs of generating funds</b>					
Support costs		86,120	-	86,120	87,024
Fundraising costs and publicity		16,255	-	16,255	11,425
Investment management costs		951	-	951	-
		<u>103,326</u>	<u>-</u>	<u>103,326</u>	<u>98,449</u>
<b>Net incoming resources available</b>		<u>728,511</u>	<u>40,503</u>	<u>769,014</u>	<u>1,410,660</u>
<b>Charitable activities</b>					
Services and festivals		337,520	36,510	374,030	367,743
Education		250,895	614	251,509	238,806
Community support		26,381	-	26,381	24,495
Funeral and cemetery		101,034	14,900	115,934	123,717
<b>Total charitable expenditure</b>		<u>715,830</u>	<u>52,024</u>	<u>767,854</u>	<u>754,761</u>
Governance costs		38,386	-	38,386	33,139
Other resources expended		32,832	-	32,832	14,230
<b>Total resources expended</b>		<u>890,374</u>	<u>52,024</u>	<u>942,398</u>	<u>900,579</u>
<b>Net (outgoing)/incoming resources</b>		<u>(58,537)</u>	<u>(11,521)</u>	<u>(70,058)</u>	<u>608,530</u>
<b>Other recognised gains and losses</b>					
(Losses)/gains on investment assets		(12,376)	-	(12,376)	-
<b>Net movement in funds</b>		<u>(70,913)</u>	<u>(11,521)</u>	<u>(82,434)</u>	<u>608,530</u>
Fund balances at 1 March 2011		<u>1,478,036</u>	<u>326,561</u>	<u>1,804,597</u>	<u>1,196,067</u>
<b>Fund balances at 29 February 2012</b>		<u>1,007,123</u>	<u>315,040</u>	<u>1,722,163</u>	<u>1,804,597</u>

# HENDON REFORM SYNAGOGUE

## BALANCE SHEET

AS AT 29 FEBRUARY 2012

	Notes	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	14	500,404		525,424	
Tangible assets	15	472,610		501,286	
Investments	16	697,073		-	
		<u>1,670,087</u>		<u>1,026,710</u>	
<b>Current assets</b>					
Debtors	17	61,135		56,608	
Cash at bank and in hand		84,186		821,540	
		<u>145,321</u>		<u>878,148</u>	
<b>Creditors amounts falling due within one year</b>	18	<u>(93,245)</u>		<u>(100,261)</u>	
<b>Net current assets</b>			<u>52,076</u>		<u>777,887</u>
<b>Total assets less current liabilities</b>			<u>1,722,163</u>		<u>1,804,597</u>
<b>Income funds</b>					
Restricted funds	20	315,040		326,562	
Unrestricted funds					
Designated funds	21	400,000		400,000	
Other charitable funds					
Unrestricted income funds		<u>1,007,123</u>		<u>1,078,035</u>	
			<u>1,007,123</u>		<u>1,078,035</u>
			<u>1,722,163</u>		<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 year ended 29 February 2012, although an audit has been carried out under section 144 of the Charities Act 2011. 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 11 June 2012

  
Mr A H Owen (Chairman)

  
Mr R B Mendoza (Treasurer)

Company Registration No 07115198

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 29 FEBRUARY 2012

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets

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 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 YEAR ENDED 29 FEBRUARY 2012

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### 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 Investments

Fixed asset investments are stated at market value

#### 1.6 Pensions

Contributions to 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

#### 1.7 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

#### 1.8 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 YEAR ENDED 29 FEBRUARY 2012

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and gifts	563,038	40,311	603,349	551,615
Legacies receivable	4,000	-	4,000	-
	<u>567,038</u>	<u>40,311</u>	<u>607,349</u>	<u>551,615</u>
 <b>Donations and gifts</b>				
<b>Unrestricted funds</b>				
Membership subscriptions			408,834	426,224
Income tax recoverable on membership subscriptions			91,482	94,911
High Holyday Appeal			16,300	7,965
Other donations			46,422	2,840
			<u>563,038</u>	<u>531,940</u>
 <b>Restricted funds</b>				
Donations for Board of Deputies			7,324	6,936
Donations for general charitable purposes			3,101	5,402
UJIA			346	2,606
Jewish Blind and Disabled			6,004	3,631
Jack Petchey Award			1,072	600
Tree of Life			4,511	500
Nursery school physical development grant			4,235	-
Nursery school donations			1,800	-
Nursery school grant special education			1,680	-
Youth activities			10,238	-
			<u>40,311</u>	<u>19,675</u>

Other donations include £30,780 in respect of the SOS appeal. A further £6,812 has been received since the year end.



# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 3 Activities for generating funds

	2012 £	2011 £
Unrestricted funds		
Use of hall	13,615	14,111
Fundraising	17,255	14,090
Synagogue magazine	2,297	1,438
	<u>33,167</u>	<u>29,639</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Income from listed investments	10,664	-	10,664	-
Interest receivable	663	192	855	-
	<u>11,327</u>	<u>192</u>	<u>11,519</u>	<u>-</u>

### 5 Incoming resources from charitable activities

	2012 £	2011 £
Nursery school	128,920	107,226
Education	5,375	5,420
Funeral and cemetery	59,459	43,472
Services and festivals	26,551	23,621
	<u>220,305</u>	<u>179,739</u>

### 6 Other incoming resources

	Total 2012 £	Total 2011 £
Net gain on disposal of fixed assets	<u>-</u>	<u>748,116</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 7 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2012 £	Total 2011 £
<b>Costs of generating funds</b>						
Support costs	63,589	1,719	20,812	-	86,120	87,024
Fundraising costs and publicity	-	-	16,255	-	16,255	11,425
Investment management costs	-	-	951	-	951	-
<b>Total</b>	<b>63,589</b>	<b>1,719</b>	<b>38,018</b>	<b>-</b>	<b>103,326</b>	<b>98,449</b>
<b>Charitable activities</b>						
<u>Services and festivals</u>						
Activities undertaken						
directly	197,721	1,094	17,295	-	216,110	218,227
Grant funding of activities	-	-	-	12,828	12,828	14,802
Support costs	43,718	14,657	86,717	-	145,092	134,714
<b>Total</b>	<b>241,439</b>	<b>15,751</b>	<b>104,012</b>	<b>12,828</b>	<b>374,030</b>	<b>367,743</b>
<u>Education</u>						
Activities undertaken						
directly	158,466	614	13,287	-	172,367	165,326
Support costs	23,846	7,995	47,301	-	79,142	73,480
<b>Total</b>	<b>182,312</b>	<b>8,609</b>	<b>60,588</b>	<b>-</b>	<b>251,509</b>	<b>238,806</b>
<u>Community support</u>						
Support costs	7,949	2,665	15,767	-	26,381	24,495
<u>Funeral and cemetery</u>						
Activities undertaken						
directly	-	25,020	77,724	-	102,744	111,471
Support costs	3,974	1,332	7,884	-	13,190	12,246
<b>Total</b>	<b>3,974</b>	<b>26,352</b>	<b>85,608</b>	<b>-</b>	<b>115,934</b>	<b>123,717</b>
	<b>435,674</b>	<b>53,377</b>	<b>265,975</b>	<b>12,828</b>	<b>767,854</b>	<b>754,761</b>
<b>Governance costs</b>	<b>15,898</b>	<b>287</b>	<b>22,201</b>	<b>-</b>	<b>38,386</b>	<b>33,139</b>
<b>Other resources expended</b>	<b>-</b>	<b>-</b>	<b>32,832</b>	<b>-</b>	<b>32,832</b>	<b>14,230</b>
	<b>515,161</b>	<b>55,383</b>	<b>359,026</b>	<b>12,828</b>	<b>942,398</b>	<b>900,579</b>

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 YEAR ENDED 29 FEBRUARY 2012

### 8 Activities undertaken directly

	2012	2011
	£	£
Other costs relating to services and festivals comprise		
Direct services costs	16,374	7,996
Other services costs payable from restricted fund	921	615
	<u>17,295</u>	<u>8,611</u>
Other costs relating to education comprise		
Religion school educational materials and other costs	2,005	3,159
Nursery school educational materials and other costs	11,282	8,285
	<u>13,287</u>	<u>11,444</u>
Other costs relating to funeral and cemetery comprise		
Undertaker's fees	26,544	30,300
Contributions to members' funerals	20,252	23,676
Cemetery repairs and service charges	21,162	25,151
Other funeral and cemetery costs	5,291	7,324
Cemetery costs payable from restricted fund	4,475	-
	<u>77,724</u>	<u>86,451</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 9 Grants payable

	Total 2012 £	Total 2011 £
Grants to institutions		
The Board of Deputies of British Jews	7,151	7,620
Jewish Blind and Disabled	5,515	3,581
Japan appeal	103	-
Exodus 2000	19	360
Other appeals	40	-
UJIA	-	2,606
Haiti appeal	-	635
	<u>12,828</u>	<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 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 YEAR ENDED 29 FEBRUARY 2012

### 10 Support costs

	Services and festivals £	Education £	Community support £	Funeral and cemetery £	Carried forward £		
Premises costs	32,225	17,577	5,859	2,930	58,591		
Administration and other costs	6,302	3,438	1,146	573	11,459		
Staff costs	43,718	23,846	7,949	3,974	79,487		
Depreciation	14,657	7,995	2,665	1,332	26,649		
MRJ affiliation fee	48,190	26,286	8,762	4,381	87,619		
	<b>145,092</b>	<b>79,142</b>	<b>26,381</b>	<b>13,190</b>	<b>263,805</b>		
	<b>Brought forward</b>	<b>Activities for generating funds</b>	<b>Governance costs</b>		<b>Total 2012</b>		<b>Total 2011</b>
	£	£	£		£		£
Premises costs	58,591	7,950	-		66,541		67,012
Administration and other costs	11,459	12,862	1,439		25,760		29,804
Staff costs	79,487	63,589	15,898		158,974		160,514
Depreciation	26,649	1,719	287		28,655		10,152
MRJ affiliation fee	87,619	-	-		87,619		82,287
	<b>263,805</b>	<b>86,120</b>	<b>17,624</b>		<b>367,549</b>		<b>349,769</b>

### 11 Governance costs

	2012 £	2011 £
Other governance costs comprise		
Council members indemnity insurance	536	779
Legal fees	8,490	5,459
Auditor's remuneration	11,736	9,091
Other administrative support costs	1,439	1,657
	<b>22,201</b>	<b>16,986</b>

Governance costs includes payments to the auditors of £6,336 for non audit services

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 12 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 £11,795 (2011 - £12,106). No other Member of the Council (or any persons connected with them) received any remuneration or benefits from the Synagogue during the year.

### 13 Employees

#### Number of employees

The average monthly number of employees during the year was

	2012 Number	2011 Number
Services	3	3
Nursery school	3	3
Education	3	3
Management and administration	5	5
	<u>14</u>	<u>14</u>

#### Employment costs

	2012 £	2011 £
Wages and salaries	460,672	460,303
Social security costs	40,503	40,043
Other pension costs	13,986	16,169
	<u>515,161</u>	<u>516,515</u>

The number of employees whose annual remuneration was between £90,000 and £100,000 or more were

	2012 Number	2011 Number
Rabbis	<u>1</u>	<u>1</u>

Contributions totalling £ 8,261 (2011 £8,100) were made to defined contribution pension schemes on behalf of 1 employee whose emoluments exceed £60,000

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 14 Intangible fixed assets

	Burial rights £
<b>Cost</b>	
At 1 March 2011 and at 29 February 2012	<u>681,437</u>
<b>Amortisation</b>	
At 1 March 2011	156,013
Charge for year	25,020
At 29 February 2012	<u>181,033</u>
<b>Net book value</b>	
At 29 February 2012	<u>500,404</u>
At 28 February 2011	<u>525,424</u>

Burial rights held by the company's predecessor, Hendon Reform Synagogue, as at 29 February 2004 were transferred at valuation as at that date less accumulated depreciation. The value as at 29 February 2004 was the market value based on the expected purchase price of equivalent spaces. Burial rights acquired by the company's predecessor since 29 February 2004 were transferred at cost less accumulated depreciation on 1 March 2010.

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 15 Tangible fixed assets

	Land and buildings	Computer & other equipment	Plant and machinery	Fixtures & fittings	Scrolls, silver & other religious artefacts	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 March 2011	200,065	39,208	223,621	101,726	190,000	754,620
Additions	-	1,689	-	-	-	1,689
Disposals	-	-	(2,509)	-	-	(2,509)
<b>At 29 February 2012</b>	<b>200,065</b>	<b>40,897</b>	<b>221,112</b>	<b>101,726</b>	<b>190,000</b>	<b>753,800</b>
<b>Depreciation</b>						
At 1 March 2011	-	34,948	150,220	68,167	-	253,335
On disposals	-	-	(550)	-	-	(550)
Charge for the year	-	1,824	16,772	9,809	-	28,405
<b>At 29 February 2012</b>	<b>-</b>	<b>36,772</b>	<b>166,442</b>	<b>77,976</b>	<b>-</b>	<b>281,190</b>
<b>Net book value</b>						
<b>At 29 February 2012</b>	<b>200,065</b>	<b>4,125</b>	<b>54,670</b>	<b>23,750</b>	<b>190,000</b>	<b>472,610</b>
At 28 February 2011	200,065	4,261	73,401	33,559	190,000	501,286

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 YEAR ENDED 29 FEBRUARY 2012

### 16 Fixed asset investments

	Quoted UK investments £	Cash awaiting investment £	Total £
Market value at 1 March 2011	-	-	-
Acquisitions at cost	695,815	13,634	709,449
Change in value in the year	(12,376)	-	(12,376)
<b>Market value at 29 February 2012</b>	<b><u>683,439</u></b>	<b><u>13,634</u></b>	<b><u>697,073</u></b>
Historical cost			
At 29 February 2012	<u>695,815</u>	<u>13,634</u>	<u>709,449</u>
At 28 February 2011	<u>-</u>	<u>-</u>	<u>-</u>
Designated funds	375,000	-	375,000
Unrestricted funds	308,439	13,634	322,073
	<b><u>683,439</u></b>	<b><u>13,634</u></b>	<b><u>697,073</u></b>

Investments include £628,366 invested in low risk collective investment schemes and £55,073 invested in low risk companies quoted on the London Stock Exchange. The investments have been selected to provide a mixture of income and capital growth.

### 17 Debtors

	2012 £	2011 £
Other debtors	46,565	41,837
Prepayments and accrued income	14,570	14,771
	<b><u>61,135</u></b>	<b><u>56,608</u></b>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

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18 Creditors, amounts falling due within one year	2012	2011
	£	£
Other creditors	12,458	15,984
Accruals	35,016	54,518
Deferred income	45,771	29,759
	<u>93,245</u>	<u>100,261</u>

In accordance with note 12 to the accounts income of £45,771 which comprises subscriptions, nursery school and other fees received in advance has been deferred in the current year

All the income amounting to £29,759 deferred in the previous year has been released in the current year

### 19 Pension and other post-retirement benefit commitments Defined contribution

	2012	2011
	£	£
Contributions payable by the company for the year	<u>13,986</u>	<u>16,169</u>

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 20 Restricted funds

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

	Balance at 1 March 2011	Movement in funds		Balance at 29 February 2012
	£	Incoming resources £	Resources expended £	£
Specific Synagogue purposes	273,410	23,536	(39,196)	257,750
Appeal funds for charitable purposes	53,151	16,967	(12,828)	57,290
	<u>326,561</u>	<u>40,503</u>	<u>(52,024)</u>	<u>315,040</u>

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 the balance of a donation of £300,000 from the Sydney Kingsley Trust made to the company's predecessors, Hendon Reform Synagogue, £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 Edgwarebury 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 2012 was £181,524

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

Other funds held for specific Synagogue purposes include a benevolent fund of £14,708 raised at the 60th Anniversary Celebrations, £10,238 raised by the 2011 High Holyday Appeal for youth activities, grants and other donations received of £14,708 for educational purposes, a members support fund of £8,600, £17,768 donated for synagogue improvements and a fund of £6,499 to be used to provide an annual kiddush in accordance with the donor's wishes

# HENDON REFORM SYNAGOGUE

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2012

### 21 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 29 February 2012
	Balance at 1 March 2011	Incoming resources	Resources expended	
	£	£	£	£
Designated fund	400,000	-	-	400,000
	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>400,000</u>

The designated fund is for the purpose of providing income to meet the commitment explained in note 22

### 22 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 29 February 2012 are represented by				
Intangible fixed assets	318,880	-	181,524	500,404
Tangible fixed assets	472,610	-	-	472,610
Investments	297,073	400,000	-	697,073
Current assets	11,805	-	133,516	145,321
Creditors amounts falling due within one year	(93,245)	-	-	(93,245)
	<u>1,007,123</u>	<u>400,000</u>	<u>315,040</u>	<u>1,722,163</u>

### 23 Commitments

In 1971 the Company's predecessors, Hendon Reform Synagogue, made a legally binding commitment to provide a pension and accommodation to the wife of the late Rabbi. At the balance sheet date this commitment amounted to £32,600 and is index linked. In previous years she resided rent free in a house owned by the Synagogue which was sold in the year ended 28 February 2011.