

Finchley Progressive Synagogue
Treasurer's Report
Special General Meeting
October 2014

The Trustees Annual Report on pages 1-3 lists the names of the trustees who were the members of council who acted during the year, together with the statutory legal and administrative information of FPS required by the Charity Commissioners. Page 4 is the Independent Examiners Report of our external accountants who conduct a limited review of the accounts without carrying out an audit before approving them.

Page 5 is the Income & Expenditure account for the year. The accounts for the Year Ended 31st December 2013 show a deficit of £6,339 which is the amount by which expenditure exceeded income over the year compared to a deficit of £2,080 in 2012, £24,218 in 2011 and £19,927 in 2010.

Last year it was decided to exclude legacy income from the final profit and loss calculation so that the figures reflected the true operating cost of running the synagogue. Legacies and some donations were utilised on specific and necessary projects. This year was our 60th Anniversary and it was agreed that our efforts would be directed towards making it a truly memorable year and not towards seeking donations. During the year in pursuit of this aim significant unbudgeted expenditures were incurred both for the refurbishment of the premises, in staging the Anniversary events and by commissioning the mosaic which now adorns the Entrance Porch.

These following unbudgeted items are the most significant contributing factors to the deficit for the year.

Refurbishment of premises	£15,082
Events	£1,153
Mosaic	£2,930
Anniversary book	£2,419

It was intended to replace the Security Gates during the year but this has now been postponed to the current year and half the cost is being covered by a grant.

Rabbi and Staff salaries have remained relatively stable as Rabbi Rebecca, Synagogue manager (Pauline Gusack) and Community Services Manager, Angela Wharton have remained in post throughout the year. This has helped stability and efficiency in Religious activities and office and premises administration.

There was an average increase in subscriptions of 3% to counter the effects of the prolonged recession. As many members and families continue to struggle your council

continued to offer concessions to those most in need. In spite of this the subscription income was only marginally less than last year, due mainly to the one-off effect of the very successful effort by Angela Wharton the previous year in reducing outstanding subscriptions.

The Board of Trustees will continue to look at ways of meeting synagogue costs by balancing the level of Subscriptions and seeking funds from external sources to ensure the finances of FPS remain stable. The Board continue to encourage Donations and Legacies with the latter offering a saving of 10% on Inheritance tax bills to those estates leaving at least 10% to charity.

What is essential is that costs continue to be controlled and monitored carefully throughout this difficult period in the economy.

Page 5 of the accounts is the Balance Sheet which is a Statement of Financial Affairs of FPS listing the Assets and Liabilities at the end of the Calendar year. FPS remains in a sound financial position with Total Net Assets at £500k primarily represented by the cost of the building and liquid funds in the bank. In terms of cash you will see from the balance sheet that it has Cash at Bank at 31st December 2013 of £137,830 which after subtracting restricted cash balances of £117,900 shown at Note 9, leaves FPS with liquidity of £ 19,970.

On pages 7 to 9 you will find the notes to the accounts, which I hope are self-explanatory. However if there are any questions on these accounts, please do not hesitate to contact me.

I would like to thank everyone who has provided me with valuable support including Bob Kingston who was instrumental in producing these accounts and our longstanding book-keeper Hilary Roer. Thanks are also due to Laura, Joan and Josie for their guidance and help in deciding our priorities, especially during this 60th Anniversary year.

This was my first year as treasurer and I would like to thank the Executive, Rebecca and council for their interest in, and responses to, my attempts to present them with an ongoing overview of the finances. Also to their participation in the budget setting exercises that we carried out last year and this year in order to maintain the finances of FPS on a sound footing.

FINCHLEY PROGRESSIVE SYNAGOGUE

TRUSTEE'S ANNUAL REPORT 2013

1. Legal and Administrative Information

Charity Name: Finchley Progressive Synagogue
Registered Charity Number: 1071040
For the financial year beginning: 01/01/13
For the financial year ending: 31/12/13
Principal Address: 54 Hutton Grove, Finchley, London, N12 8DR

Names of trustees (Council Members) who acted during the year (with specific office if any): Laura Lassman (Chair), Josie Kinchin (Vice Chair), Joan Shopper (Secretary), Martin Silk (Treasurer), David Pelham, Adrian Lister, Jacquie Fawcett, Louise Gellman, Corinne Oppenheimer, Braham Fredman, Wika Dorosz, Andrea Collett..

Name of person or body entitled to appoint trustees (Council Members): The membership in general meeting of Finchley Progressive Synagogue.

Structure, Governance and Management: The synagogue's governing document is its constitution. The trustees are its Council Members. They meet regularly throughout the year and there are sub-committees and groups which report to council. In addition the synagogue employs administrative staffs who are responsible for the management of the building, day to day finances and co-ordination of activities. All significant operational decisions are made by Council, with certain key decisions approved by the membership in open meeting.

Objects of the charity: To advance religion in accordance with the beliefs and tenets and doctrines of Liberal Judaism. The synagogue is a member of Liberal Judaism, for which benefit affiliation fees are payable.

2. Activities and Achievements.

Under the direction of its Rabbi, the synagogue and its members continue to provide religious, cultural and communal facilities and to support members and their families during the year.

Rabbi Rebeca Qassim Birk has led the community throughout the year ably supported by synagogue manager, Pauline Gusack and administrative officer, Angela Wharton.

FINCHLEY PROGRESSIVE SYNAGOGUE

TRUSTEE'S ANNUAL REPORT 2013

3. Grant Making Policy

The synagogue pursues its charitable giving through a number of programmes, such as the High Holy Day Appeal and voluntary subscription levies.

4. Accounts

The accounts for 2013 are presented within this report. The trustees are advised, by their accountants, that no audit is required this year. The trustees confirm that the accounts and the notes thereto comply with current statutory requirements, the requirements of the synagogue's constitution and the requirements of the Statement of Recommended Practice for Charities (Revised 2005)

There was a net deficit of unrestricted funds for the year of £12,471 (2012: £2,080 deficit). Total income (excluding Legacies) increased by £12,608 (2012: decreased by £1,638)

Total Expenditure rose by £9,587 largely due to an increase in refurbishment costs and costs associated with the 60th Anniversary celebrations.

At 31 December 2013 the synagogue held unrestricted funds of £381,926 (2012: £397,321) and restricted funds of £124,237 (2012: £109,669). The trustees believe the financial position remains stable and will continue to monitor costs carefully throughout a continuing difficult period in the economy.

The Funeral fund holds an asset comprising a loan of £50,000 made to Liberal Judaism to facilitate the expansion of the Edgwarebury Lane Cemetery. An agreement has been reached on staged repayment of this loan starting in 2014.

5. Reserves Policy

It is the policy of the synagogue to maintain unrestricted funds at a level, which is sufficient to keep the synagogue solvent. In conjunction with the subscriptions and other income resources this provides sufficient funds to cover administrative and support costs.

6. Risk Assessment

The trustees confirm they have considered the major risks to which the synagogue is exposed, as identified by the trustees, that they have reviewed these and consider that appropriate systems have been established to mitigate those risks.

**FINCHLEY PROGRESSIVE SYNAGOGUE
TRUSTEE'S ANNUAL REPORT 2013**

6. Risk Assessment

The trustees confirm they have considered the major risks to which the synagogue is exposed, as identified by the trustees, that they have reviewed these and consider that appropriate systems have been established to mitigate those risks.

7. Public Benefit

The trustees confirm they have complied with their duty to have due regard to the guidance on public benefit in exercising their powers and duties.

8. Approval

The trustees (Council Members) have approved the trustees report.

Signature: *Laura Lassman*

Full Name of Signatory: LAURA LASSMAN

Position of Signatory: Chair

Date of Signature: 27 Sept 2014

Signature: *M. Silk*

Full Name of Signatory: MARTIN SILK

Position of Signatory: Treasurer

Date of Signature: 27/09/14

INDEPENDENT EXAMINER'S REPORT

TO THE COUNCIL OF FINCHLEY PROGRESSIVE SYNAGOGUE

I report on the Accounts of the Synagogue (Charity No: 1071040) for the year ended 31st December 2013, which are set out on pages 5 to 10.

Respective responsibilities of Council and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (7)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the Accounts presented with those records. It also includes consideration of any unusual items or disclosures in the Accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

This report is made solely to the Synagogue's Council, as a body. My work has been undertaken so that I might state to the Council those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Synagogue and its Council as a body, for my work and for this report.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare Accounts which accord with the accounting records and to comply with the requirements of the 2011 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.



JACOB CHAIM LAX
CHARTERED ACCOUNTANT (ICAEW)

29 September 2014
Date; ~~xx xxx~~ 2014

Jacob Charles & Co.
Sentinel House
Sentinel Square
London NW4 2EP

FINCHLEY PROGRESSIVE SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2013

2012 (Combined)		Notes	Unrestricted Funds £	Restricted Funds £	2013 Total £
£					
	INCOMING RESOURCES				
179,744	Gross Membership Subscriptions		163,037	15,671	178,708
(15,671)	Less; Burial		0	(15,671)	(15,671)
164,073			163,037	0	163,037
6,232	Funeral Fund contributions		0	5,530	5,530
40,763	Income Tax recovered on Gift Aid		42,143	0	42,143
211,068	SUB TOTAL		205,180	5,530	210,710
3,939	Fund raising (net)		2,364	0	2,364
15,939	Donations including Gift Aid tax recovery		6,324	5,856	12,180
18,050	Legacies	2	154	0	154
5,340	Ivriah contributions		0	5,805	5,805
0	Royal Academy dinner		23,785	0	23,785
20,317	Hire of premises.		22,900	0	22,900
765	Advertising Revenue -Shofar and Calendar		1,215	0	1,215
3,434	Miscellaneous		574	0	574
52	Interest earned (net)		47	14	61
278,904	TOTAL INCOME		262,543	17,205	279,748
=====			=====	=====	=====
	RESOURCES EXPENDED				
109,510	Religious, Educational and Pastoral Activities	3	112,810	5,805	118,615
44,735	Premises Costs	4	65,429	0	65,429
73,722	Administration and publication costs	5	65,198	3,169	68,367
31,033	Affiliations	6	33,676	0	33,676
17,500	Legacy reserved for future expenses	2	0	0	0
276,500	TOTAL EXPENDITURE	8	277,113	8,974	286,087
=====			=====	=====	=====
2,404	NET MOVEMENT IN FUNDS		(14,570)	8,231	(6,339)
504,586	FUND BALANCES BROUGHT FORWARD	10	397,321	109,669	506,990
506,990	FUND BALANCES CARRIED FORWARD		382,751	117,900	500,651
=====			=====	=====	=====

FINCHLEY PROGRESSIVE SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2013

1 Principal accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities and with the Charities Act 2011. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2011).

Resources expended

Expenditure is included on an accruals basis.

Tangible fixed assets

All assets, other than consumables and items under £5,000, are capitalised.

Depreciation is not charged on freehold land and buildings. Furniture and equipment is written down on a straight-line basis over their estimated useful life at the rate of 25% per annum, however no depreciation has been charged in the current year as Council considers it to be written down to net realisable value.

Fund accounting

Details and the nature and purpose of each restricted fund are set out in note 9.

Recognition of incoming resources and liabilities

Subscriptions are included in the Statement of Financial Activities (Sofa) upon receipt.

Grants and donations are included in the Sofa, when the charity has unconditional entitlement.

Tax reclaims are included in the Sofa at the same time as Gift Aid claims are submitted.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2012 £		2013 £
18,050	2 Legacies	
	Received	154

17,500	Expended:	0
	Reserved for future expenses	-----
17,500		0
=====		=====
	3 Religious, Educational and Pastoral activities	
68,739	Ministerial departmental costs	70,066
2,000	Assistant Rabbi	0
16,118	Ivriah Salaries & other education costs	19,375
(260)	Adult Education	(416)
23	Library costs	0
47	New High Holiday prayer books	(60)
156	60th Anniversary	6,402
(276)	Youth activities	477
0	Shabbat Resouled	(10)
17,623	Organist, Music & High Holy Days costs	16,976

104,170		112,810
5,340	Restricted costs (see note 9)	5,805

109,510		118,615
=====		=====

FINCHLEY PROGRESSIVE SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2013

2012 £			2013 £
	4 Premises costs		
17,496	Cleaning, caretaking, gardening & casual labour		15,808
4,456	Housekeeping		5,700
4,339	Insurance		4,248
9,753	Light, heat & water		14,359
2,564	Repairs & renewals expenditure		20,204
1,768	Miscellaneous expenses		1,941
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40,376			62,260
4,359	Restricted costs	(see note 9)	3,169
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44,735			65,429
=====			=====
	5 Administration and publication costs		
53,705	Administration and Accounting		51,295
8,026	Printing, postage & stationery		8,906
3,520	Shofar and calendar design and printing		4,621
1,813	Telephone		1,497
206	Bank charges & interest		308
1,770	Independent Examiner's fees		1,740
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69,040			68,367
4,682	Restricted costs	(see note 9)	0
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73,722			68,367
=====			=====
	Details of certain items of expenditure:		
0	Number of Trustees who were paid expenses		0
1,770	Independent Examiner's fees		1,740
7,020	Defined contribution pension scheme		7,020
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31,033			33,676
=====			=====
	6 Affiliations		
30,027	Liberal Judaism affiliation fee incl. Leo Baeck		32,670
990	Board of Deputies		990
16	Other affiliations and donations		16
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31,033			33,676
=====			=====

FINCHLEY PROGRESSIVE SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2013

2012 £		2013 £
7 Donations by members to:		
312	Board of Deputies	906
238	Pro Zion	232
314	New Israel Fund	20
325	Friends of Progressive Judaism	0
3,170	High Holy Day Appeal - designated charities (see below)	3,725
<u>4,359</u>		<u>4,883</u>
10,022	Other Restricted Fund donations	4,091
<u>14,381</u>	Total	<u>8,974</u>
=====		
Designated donations for High Holy Day Appeal		
0	North London Hospice	1,196
1,631	World Union of Progressive Judaism, Mogilev	1,163
0	Jewish-Arab Community Centre, Akko	1,366
1,539	Barnet Mencap	0
<u>3,170</u>		<u>3,725</u>
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8 FIXED ASSETS

	Freehold land & buildings £	Furniture & fittings £	Total £
Cost			
Balance at 1st January 2013	385,537	52,250	437,787
Additions	0	0	0
	<u>385,537</u>	<u>52,250</u>	<u>437,787</u>
Balance at 31st December 2013	385,537	52,250	437,787
	<u>385,537</u>	<u>52,250</u>	<u>437,787</u>
Depreciation			
Balance at 1st January 2013	0	47,573	47,573
Charge for the year	0	0	0
	<u>0</u>	<u>47,573</u>	<u>47,573</u>
Balance at 31st December 2013	0	47,573	47,573
	<u>0</u>	<u>47,573</u>	<u>47,573</u>
Net Book Value at 31st December 2013	<u>385,537</u>	<u>4,677</u>	<u>390,214</u>
	=====	=====	=====
Net Book Value at 31st December 2012	385,537	4,677	390,214
	=====	=====	=====

Depreciation is not charged on freehold land and buildings, nor on furniture and equipment, which Council considers has been written down to net realisable value.

FINCHLEY PROGRESSIVE SYNAGOGUE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2013

9 MOVEMENT ON RESTRICTED FUNDS

	Balance 1.1.2013 £	Receipts £	Payments £	Balance 31.12.2013 £
Funeral & Cremation Fund	84,419	5,530	(3,188)	86,781
President's Fund	12,616	1,983	0	14,599
Rabbi's Discretionary Fund	5,064	0	(1)	5,063
Learning Centre Fund	508	0	0	508
Ivriah Fund	0	5,805	(5,805)	0
The Guild	4,527	460	0	4,987
Designated Donations	2,535	3,427	0	5,962
	<u>109,669</u>	<u>17,205</u>	<u>(8,974)</u>	<u>117,900</u>
	=====	=====	=====	=====

2012 £	10 UNRESTRICTED FUNDS	2013 £
399,401	Balance at 1st January 2013	397,321
(2,080)	Net movement on unrestricted funds for year	(14,570)
<u>397,321</u>	Balance at 31st December 2013	<u>382,751</u>
=====		=====

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted funds	0	117,900	117,900
Unrestricted funds	390,214	(7,463)	382,751
	<u>390,214</u>	<u>110,437</u>	<u>500,651</u>
	=====	=====	=====

11 The Synagogue is a registered charity. Its Charity Number is 1071040.