Charity Registration No. 1144866

Company Registration No. 07831243 (England and Wales)

THE BELSIZE SQUARE SYNAGOGUE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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THE BELSIZE SQUARE SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary Officers

Jackie Alexander (Chair)

Annette Nathan (Hon. Secretary)

J. Strauss (Hon. Treasurer)

R. Nothman (Asst Hon.Secretary)

A. Hurst (Asst Hon.Treasurer)

Trustees

Status unchanged	**Re-elected**
J Abramson	J Brookes
Jackie Alexander (Exec)	P Burger
John Alexander	S Cutner
C Cohen	M Horowitz
D Cohen	A Hurst (Exec)
K Conway	Annette Nathan (Exec)
A Davis (Exec)	M Nathan
S Goldstein	N Viner (Exec)
J Hacker	
P Hirschovits	
F Joseph (Exec)	
F Lehmann	
Adam Nathan	
R Nothman (Exec)	
S Percival	
D Pollins	
R Pollins	
J Strauss (Exec)	
D Tausz	
J Trenner (Exec)	
C Walford	

Charity number	**1144866**
Company number	**07831243**
Principal address & registered office	**51 Belsize Square London NW3 4HX**

THE BELSIZE SQUARE SYNAGOGUE

LEGAL AND ADMINISTRATIVE INFORMATION

Auditor	**HW Fisher LLP** **Acre House** **11-15 William Road** **London** **NW1 3ER**		
Bankers	**Scottish Widows Bank Plc** **67 Morrison Street** **Edinburgh** **EH3 8YJ**	**CAF Bank Limited** **25 Kings Hill Avenue** **Kings Hill** **West Malling** **Kent** **ME19 4JQ**	**Shawbrook Bank** **Lutea House** **Warley Hill Business Park** **The Drive, Warley Hill** **Brentwood, Essex** **CM13 3BE**
Investment Management Platform	**Flagstone Investment Management** **1st Floor** **Clareville House** **26-27 Oxendon Street** **London** **SW1Y 4EL**		

THE BELSIZE SQUARE SYNAGOGUE

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THE BELSIZE SQUARE SYNAGOGUE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021, which also contains the directors' report as required by company law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charitable company's Memorandum and Articles of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Public Benefit
The Trustees have complied with their duty under the Charities Act 2011 to have due regard to the guidance published by the Charity Commission. The benefit to the public is manifestly demonstrated by the activities and achievements contained in this report.

Structure, governance and management
Belsize Square Synagogue was founded in 1939 and established as a charity by its constitution, which was first adopted in 1971. In 2011 a new charity, The Belsize Square Synagogue (the 'Charity'), was incorporated as a company limited by guarantee and in 2012 assumed the assets, liabilities and activities of the previous, unincorporated, body. The Charity's governing documents comprise the Memorandum and Articles of Association, which are largely similar to the constitution of the previous body.

The Synagogue is organised under the management and control of the governing body, ("the Board"), whose members, together with the elected Chair, comprise the charity Trustees. The Board consists of up to 33 elected members, and appoints, from among its members, the Honorary Officers of the Synagogue who include the Hon. Treasurer and the Hon. Secretary, in addition to the Chair. The Board also appoints the Executive, which consists of the Chair and eight members of the Board, including the Honorary Officers.

The Board Members, Chair, Honorary Officers and members of the Executive who served during the year and up to the date of approval of the financial statements are set out on the front page of this report and financial statements. All appointments, re-elections and resignations took place at the Annual General Meeting on 7 June 2021 unless otherwise stated.

The Board constitutes various committees, whose membership is made up of members of the Community. These committees take responsibility for organising and managing activities within the community and report to the members of the Executive and/or the Chair. Periodic reports are also made to the Board and to the Annual General Meeting of the Synagogue's members. The Chairs and membership of each committee are approved by the Board on an annual basis. The Executive are appointed by Board resolution as the Remuneration Committee. The Trustees as well as the Synagogue's Finance & Audit Committee have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to manage exposure to the major risks such as predictability of income.

A legally qualified and long-standing Board member has responsibility for ensuring that from time to time there is a presentation to the Board about Charity Trustee and Director obligations and liabilities. This forms part of new Board member induction.

Objectives and activities
The Synagogue's objectives are to advance the Jewish religion in accordance with the teachings and practices of progressive Judaism. To further these objectives the Charity is to maintain the synagogue for public worship, conduct regular Services, provide the services of a Rabbi and a Cantor, and provide religious education of Jewish children, youth and adults. The Synagogue is authorised to provide facilities for marriages, burial and assistance for the aged, the sick and the needy.

Achievements and performance
2021 was another extremely challenging year as we continued to navigate the difficulties brought on by the Covid-19 pandemic. In January, the Government announced a national lockdown which meant the Synagogue had to close its doors to congregants for all Services for the second time in two years. We continued to stream Services and events moved online allowing us to continually provide activities for our members. The Community supported these decisions and our online provision was well attended/viewed. The synagogue Chair reinstated her weekly email to the Community keeping them up to date with Synagogue news and online activities from other organisations.

In July 2021, after ten successful years, Rabbi Dr Stuart Altshuler began a 12-month sabbatical. He will officially leave Belsize Square in June 2022. Rabbi Altshuler was given well-deserved valedictory Services as well as socially distanced kiddushim, held in his honour. The Synagogue is extremely grateful to Rabbi Altshuler for his contribution to the community over the past 10 years. In particular, he helped us navigate the tricky path towards fully egalitarian Services.

Rabbi Altshuler's successful conversion and adult education programmes continued online while the Synagogue was closed and his students were able to complete their conversions before his departure.

Cantor Dr Paul Heller completed his eighth year of service. His participation not only enhances Services but also continues the musical tradition for which the Synagogue is well known. Cantor Heller ran successful online education courses during the year and actively supported our welfare officer. Cantor Heller also officiated at the majority of our funerals.

Rabbi Rodney Mariner remains as our Emeritus Rabbi and assists when needed, supporting the community when our ministers are away or unavailable and officiating at funerals when requested.

Rabbi Gabriel Botnick was appointed as Belsize Square's fifth Rabbi and began his tenure in April 2021. Unfortunately, due to the pandemic, we were extremely limited in the number and type of events we could hold to welcome Rabbi Botnick, however through a mixture of in-person and online meetings he was able to meet a large number of congregants and introduce himself to the community.

We are as always immensely grateful for the contribution of our ministers in the day-to-day life of the Synagogue.

During the course of the year, the Synagogue continued to offer religious, educational and welfare activities. Religious Services were maintained each Shabbat, with Services held on Friday evenings and Saturday mornings throughout the year. While the Synagogue was closed due to the lockdown, Rabbi Altshuler and Cantor Heller led Services from our sanctuary which were streamed into the homes of our members via BelsizeLIVE. Once the lockdown ended, a limited number of congregants could attend Services and a booking system was used to maximise our space. Kikar Kids, our monthly services for the youngest children in the community, were also reinstated. All Government guidelines were strictly adhered to, including using choir recordings when it was not possible to have our choir singing in the Sanctuary.

Services continued to be held on the first two and last days and evenings of all the major Jewish festivals, including in-person both days of Rosh Hashanah and throughout Yom Kippur. Due to the limit in numbers permitted to attend as a result of the pandemic, members were invited to book into the High Holyday Service of their choice. Every member who requested to attend was accommodated for at least one of these special Services. Our High Holyday Youth Services were also held in-person but with restricted numbers.

Services are led by one or both of the ministers, with involvement from members of the Community on a regular basis. The music of our Services continues to be enhanced by our Synagogue, Community and Youth choirs accompanied by an organ. We are delighted to be able to webcast our Services via BelsizeLIVE for the benefit of both members and non-members both in the U.K. and overseas. There is no charge for this facility, but a number of non-members chose to send us donations to help cover our costs. BelsizeLIVE proved to be an invaluable asset during the pandemic with both members and non-members making full use of the facility. For those members who could not attend the High Holyday Services they were broadcast on BelsizeLIVE, allowing many non-members from around the world to watch.

Our commitment to education, for all ages, remains as strong as ever with numerous events open to members and the wider community. Our Cheder, led by Caroline Loison, provides popular weekly educational activities for children between the ages of 5 and 15. Our Cheder adapted to the pandemic by providing weekly online lessons, complimented by 1-2-1 Hebrew lessons for those who wanted. Unfortunately, we were unable to run as many youth activities as we would have liked but as things opened up towards the end of 2021 a few smaller events were held. Our Youth Choir leader provided individual on-line singing lessons to Cheder and Youth Choir members during this period.

Our weekly Adult Discussion Group continues to be popular, attracting new members and producing a lively debate amongst attendees. Sessions took place online using Zoom when the Synagogue had to close and attracted many people who would not usually attend. The annual Holocaust Memorial Day programme, which is held in February each year, adapted well to the lockdown. With the help of Zoom and a few volunteers, we were able to condense the programme down so that schools could participate online.

Welfare activities are led mainly by our Community Care Co-ordinator who provides support for the aged and needy in our community. Many of these members also belong to the Association of Jewish Refugees and we remain extremely grateful to the AJR for their continued and generous funding of this role. We have an established committee of volunteers to support this work through providing lunches and maintaining contact with older members. When the pandemic started, the response to our call for volunteers was emphatic. Many members helped in ensuring our elderly and vulnerable members received regular contact and updates from the community. Many of these members received support with shopping, collecting medication and appropriate gifts for some Festivals. While there was less need for this in 2021, our volunteers kept in regular contact with members to ensure that they had the support they needed. The Synagogue participates in the annual Mitzvah Day programme each November when over 100 of our members and children join in a variety of good deeds both within our own community and also locally. This year we were limited in our offering but were still able to collect food and toiletries for a local foodbank and deliver biscuits to our elderly members.

Fundraising activities
The Synagogue requires regular fundraising activities, in addition to annual membership subscriptions, to support its infrastructure and continue to provide a wide range of events and services.

Our annual Chanukah Market returned and despite being a smaller event than in previous years we were delighted it raised over £7,000 and many members attended who had not been to the Synagogue since before the pandemic.

The Belsize 100 initiative, asking members to add a £100 donation to their annual subscription, continues to be successful, raising over £45,000.

All our fundraising events are open to members and a request for additional donations is also issued once a year with the membership fee letter. There is a legacy scheme which is publicised by leaflets that are available for members to take at the Synagogue entrance. No phone calls are made to pressurise members into attending events or donating. However, we do make calls to encourage members to pay their subscriptions once they are more than 6 months overdue.

Financial review
Total income for the year was £1,089,845 (2020: £979,165). Subscriptions (including gift aid reclaimed) were higher at £433,183 (2020: £417,878) as members who asked for a reduced subscription in the previous year were able to pay their full fee. The Membership Committee continues to review several initiatives to increase the Synagogue's membership base.

We continue to enjoy a successful and mutually beneficial relationship with our tenants, Keren's Nursery, who despite the lockdown were able to operate for the full 12 months in 2021. We rent out the scout hut, which occupies part of the Synagogue's land, to the Hampstead 22nd Sea Scouts who sublet the hut to another nursery, Oliver's, during the week.

Expenses for the year of £1,056,943, excluding depreciation of £121,427 (2020: £115,131), were higher than the 2020 figure of £991,091. The largest portion of running costs comprises wages and salaries, including those of our two full time ministers and another minister on sabbatical, the cost of running our office and facilities as well as our educational, musical and welfare activities. The Synagogue utilised the government's furlough scheme for members of staff who were unable to perform their duties. The impact of the pandemic resulted in lower running costs of ongoing activities as well as minimal costs for events.

The overall outcome of gross income of £1,089,845 less total expenditure of £1,178,370 meant that the net assets of the Charity at the end of 2021 were £3,462,274. This was £88,525 lower than at the previous year end (£3,550,799).

The net assets principally comprise land and buildings of £2,355,107, which includes capitalisation of all development expenditure on the synagogue building. The Charity held £1,193,536 in cash and deposits at 31 December 2021 compared to £1,254,632 at the end of 2020.

In addition to the fixed asset fund, representing the land and buildings, the Charity held £987,459 in unrestricted funds at 31 December 2021. This is in keeping with the Reserves Policy (see below). The amount held in designated and unrestricted funds is kept under review by the Trustees and the Synagogue's Finance Committee as part of financial planning for the future. A further £119,708 remains held as restricted funds.

Reserves Policy
The Synagogue holds two main categories of funds.

Restricted funds are held where monies are given for specific purposes by donors.

Unrestricted funds comprise all remaining funds and are segregated into two additional categories:
(i) Designated Funds, which represent the net book value of the Synagogue's fixed assets as well as, periodically, amounts that the Board wishes to set aside for specific substantial future projects; and
(ii) Other Charitable Funds, which broadly comprise the unrestricted cash balances available to manage the Synagogue's day to day activities.

A formal Reserves Policy exists, which sets out the Synagogue's policy that Other Charitable Funds should be maintained at a level sufficient to finance annual working capital requirements and to enable the Synagogue to meet all of its charitable objectives. This policy is reviewed by the Board and the Finance Committee on an annual basis. An amount of £47,116 has been transferred from Other Charitable Funds to Designated Funds at 31 December 2021 representing fixed asset additions during the year.

Key risks and uncertainties disclosures
The Synagogue has developed a Risk Register which is reviewed annually by the Board and the Finance & Audit Committee. There are currently 49 identified risks in the categories of: Financial; External premises and Security; Governance; Religion; Subletting part of the building to third parties; Cheder; Trips; Welfare; Youth. New risks are added when appropriate. None of the current risks are categorised as red and consequently there are no principle risks to the Synagogue.

At the time of writing of this report, the Synagogue is fully open for Services and events and has minimal restrictions in place. The Synagogue is maintaining as many activities as possible both in person and online, including Livestreaming services, Board and committee meetings taking place virtually. Cheder and adult education are back in person. A network of volunteers continues to keep in touch with vulnerable members of the community.

From a financial perspective, income has increased this year, both from membership subscriptions as well as higher donations. The Synagogue remains sensitive to any cases of financial hardship. The Synagogue is managing the cost base as efficiently as possible during this period. The trustees are comfortable that with the actions being taken the Synagogue will be able to continue to operate for the foreseeable future.

Plans for the future
Rabbi Botnick's first anniversary in post has just passed and we hope that now the worst of the pandemic is behind us, the community is able to fully embrace him and begin attending Services more frequently.

As well as striving to increase our membership, we regularly look at ways to better utilise our assets. Our Community hall provides a regular source of income but we are also investigating its refurbishment so that we can better utilise it whilst still generating rental income.

We remain extremely grateful to those members that remember the Community in their wills and those that support us either financially or by giving of their time.

Disclosure of information to auditor
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board

Jackie Alexander

Jackie Alexander
Chair

Dated: 17 Jun 2022

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the Directors of The Belsize Square Synagogue for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are 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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE BELSIZE SQUARE SYNAGOGUE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BELSIZE SQUARE SYNAGOGUE

Opinion

We have audited the financial statements of The Belsize Square Synagogue (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process;

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charities SORP, FRS 102, The Charities Act 2011, The Companies Act 2006 and GDPR.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BELSIZE SQUARE SYNAGOGUE

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the those charged with governance of the entity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

18/6/22

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies	**3**	653,616	-	91,638	745,254	736,946
Charitable activities	**4**	17,238	-	-	17,238	7,133
Other trading activities	**5**	245,519	-	-	245,519	178,181
Investments	**6**	1,470	-	379	1,849	8,866
Other income	**7**	79,985	-	-	79,985	48,039
Total income		997,828	-	92,017	1,089,845	979,165
Expenditure on:						
Raising funds	**8**	195,759	12,134	3,300	211,193	198,436
Charitable activities	**9**	769,191	109,293	88,693	967,177	907,786
Total resources expended		964,950	121,427	91,993	1,178,370	1,106,222
Net incoming/(outgoing) resources before transfers		32,878	(121,427)	24	(88,525)	(127,057)
Gross transfers between funds		(47,116)	47,116	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(14,238)	(74,311)	24	(88,525)	(127,057)
Fund balances at 1 January 2021		1,001,697	2,429,418	119,684	3,550,799	3,677,856
Fund balances at 31 December 2021		987,459	2,355,107	119,708	3,462,274	3,550,799

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:					
Donations and legacies	3	655,813	-	81,133	736,946
Charitable activities	4	7,133	-	-	7,133
Other trading activities	5	178,181	-	-	178,181
Investments	6	8,635	-	231	8,866
Other income	7	48,039	-	-	48,039
Total income		897,801	-	81,364	979,165
Expenditure on:					
Raising funds	8	186,750	11,502	184	198,436
Charitable activities	9	727,148	103,629	77,009	907,786
Total resources expended		913,898	115,131	77,193	1,106,222
Net incoming/(outgoing) resources before transfers		(16,097)	(115,131)	4,171	(127,057)
Gross transfers between funds		(18,812)	25,334	(6,522)	-
Net (expenditure)/income for the year/ Net movement in funds		(34,909)	(89,797)	(2,351)	(127,057)
Fund balances at 1 January 2020		1,036,606	2,519,215	122,035	3,677,856
Fund balances at 31 December 2020		1,001,697	2,429,418	119,684	3,550,799

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

THE BELSIZE SQUARE SYNAGOGUE

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**14**		2,355,107		2,429,418
Current assets					
Debtors	**15**	59,196		77,285	
Cash at bank and in hand		1,193,536		1,254,632	
		1,252,732		1,331,917	
Creditors: amounts falling due within one year	**16**	(145,565)		(210,536)	
Net current assets			1,107,167		1,121,381
Total assets less current liabilities			3,462,274		3,550,799
Income funds					
Restricted funds	**18**		119,708		119,684
Unrestricted funds					
Designated funds	**19**	2,355,107		2,429,418	
General unrestricted funds		987,459		1,001,697	
			3,342,566		3,431,115
			3,462,274		3,550,799

The financial statements were approved by the Trustees on 18 Jun 2022

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J Strauss
Trustee

Company Registration No. 07831243

THE BELSIZE SQUARE SYNAGOGUE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**21**		(15,829)		5,910
Investing activities					
Purchase of tangible fixed assets		(47,116)		(25,334)	
Investment income received		1,849		8,866	
Net cash used in investing activities			(45,267)		(16,468)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(61,096)		(10,558)
Cash and cash equivalents at beginning of year			1,254,632		1,265,190
Cash and cash equivalents at end of year			1,193,536		1,254,632

1 Accounting policies

Charity information

The Belsize Square Synagogue is a private company limited by guarantee incorporated in England and Wales. The registered office is 51 Belsize Square, London, NW3 4HX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have considered the effects of Covid-19 during 2021 and the continuing effects into 2022. Covid-19 impacted the Synagogue's regular activities, which meant the synagogue had to close its doors to congregants for all services and move many activities online. The Synagogue welcomed back congregants but put in place a number of restrictions to comply with government regulations.

The Synagogue's income increased in 2021 but has still not recovered to pre-pandemic levels, particularly in key areas like membership subscriptions and voluntary donations. The Synagogue only held one small fundraising event during 2021. The Synagogue utilised the government's Coronavirus Job Retention Scheme for staff who were unable to undertake their roles during lockdown but continued to pay all staff in full.

The charity has budgeted prudently and assumed that many areas of income should return to pre-pandemic levels in the near future. The Synagogue has planned a regular calendar of events and services in 2022.

Given the level of reserves the Synagogue has, the Trustees have a reasonable expectation that the Charity has adequate resources to continue for the foreseeable future, and thus the financial statements continue to be prepared on the going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 *Incoming resources*

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

1 Accounting policies **(Continued)**

Investment income is included when receivable.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of attracting voluntary income, collecting subscriptions and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of activities and services for beneficiaries.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	Over 20 years straight line on completion
Fixtures and fittings	25% and 33 1/3% straight line
Religious items	10% reducing balance
Cemetery	Not depreciated

Cemetery land is not depreciated because any potential depreciation charge is deemed to be immaterial at this stage. The Trustees continue to review and intend to depreciate the land when a material proportion of the burial land has been used.

The painting is included in the financial statements at an insurance valuation and is not depreciated as the residual value is not expected to be less than current value.

Freehold buildings are included in the financial statements at cost less depreciation. The Trustees are satisfied that at the present time the market value of the property exceeds the value at which it is recognised in the financial statements and therefore no impairment provision is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the amount received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Government grants for the charity relate to the Coronavirus Job Retention Scheme. As this scheme involves a transfer of resources from government to the charity, it meets the definition of a government grant. The scheme is designed to compensate for staff costs, so amounts received or receivable are recognised in the income statement as part of other operating income over the same period as the costs to which they relate. Government grants are accounted for under the performance model.

2 Critical accounting estimates and judgements

The trustees are satisfied that there are no material estimates or judgements in the accounts.

3 Donations and legacies

	Unrestricted funds general 2021	Restricted funds 2021	Total 2021	Unrestricted funds general 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Donations and gifts	218,807	91,638	310,445	214,932	72,133	287,065
Legacies receivable	1,626	-	1,626	23,003	9,000	32,003
Membership fees	433,183	-	433,183	417,878	-	417,878
	653,616	91,638	745,254	655,813	81,133	736,946

4 Charitable activities

	Unrestricted funds 2021	Unrestricted funds 2020
	£	£
Education & Welfare	10,046	4,523
Religion	7,192	2,610
	17,238	7,133

5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Income from fundraising events	10,244	-
Hall hire and rental income	98,909	73,718
Security services	61,861	50,713
Other income	74,505	53,750
Other trading activities	245,519	178,181

6 Investments

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Interest receivable	1,470	379	1,849	8,635	231	8,866

A portion of the synagogue's cash is invested through a platform in various deposit accounts. The interest earned from these accounts is only shown when these accounts mature.

7 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Other income	79,985	48,039

During the year, £79,985 (2020: £48,039) was received under the government's Coronavirus Job Retention Scheme.

8 Raising funds

	Unrestricted funds general 2021	**Unrestricted funds designated 2021**	**Restricted funds 2021**	**Total 2021**	Unrestricted funds general 2020	Unrestricted funds designated 2020	Restricted funds 2020	Total 2020
	£	**£**	**£**	**£**	£	£	£	£
Fundraising and publicity								
Other costs	-	-	3,300	3,300	-	-	184	184
Other fundraising costs	10,028	-	-	10,028	10,920	-	-	10,920
Staff costs	28,589	-	-	28,589	25,121	-	-	25,121
Support costs	152,347	12,134	-	164,481	147,622	11,502	-	159,124
Governance costs	4,795	-	-	4,795	3,087	-	-	3,087
	195,759	12,134	3,300	211,193	186,750	11,502	184	198,436

9 Charitable activities

	2021	2020
	£	£
Staff costs	369,532	324,190
Welfare	35,600	35,000
Burial/funerals	74,354	64,442
Religion and festivals	90,556	106,426
Other costs	12,166	4,703
	582,208	534,761
Grant funding of activities (see note 10)	45,975	36,963
Share of support costs (see note 11)	329,256	329,794
Share of governance costs (see note 11)	9,738	6,268
	967,177	907,786
Analysis by fund		
Unrestricted funds - general	769,191	727,148
Unrestricted funds - designated	109,293	103,629
Restricted funds	88,693	77,009
	967,177	907,786

10 Grants payable

	2021	2020
	£	£
Grants to institutions:		
Israel Sport Centre	2,275	2,213
Jaffa Institute	13,700	11,200
Yemin Orde Childrens Centre	15,200	11,200
ASSAF aid Organisation	14,600	12,200
Other	200	150
	45,975	36,963

11 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	197,593	-	197,593	206,470	-	206,470
Depreciation	121,427	-	121,427	115,131	-	115,131
Security	75,780	-	75,780	63,063	-	63,063
Legal and professional fees	13,457	-	13,457	21,036	-	21,036
Other support costs	85,480	-	85,480	83,218	-	83,218
Audit fees	-	14,533	14,533	-	9,355	9,355
	493,737	14,533	508,270	488,918	9,355	498,273
Analysed between						
Fundraising	164,481	4,795	169,276	159,124	3,087	162,211
Charitable activities	329,256	9,738	338,994	329,794	6,268	336,062
	493,737	14,533	508,270	488,918	9,355	498,273

12 Trustees and related party transactions

None of the Trustees (or any persons connected with them) received any remuneration during the year. Five Trustees were reimbursed for various expenses incurred in their capacity as Trustees totalling £1,681 (2020: two trustee were reimbursed £561)

Earnings in the year to Trustees and relatives of Trustees for their roles as teachers/teaching assistants in the Synagogue cheder were as follows:

F Joseph (Trustee) £nil (2020: £382)
J Hacker (Trustee) £nil (2020: £96)
S Masters (relative) £nil (2020: £191)
B Nathan (relative) £847 (2020: £1,595)
B Hurst (relative) £299 (2020: £578)
P Strauss (relative) £280 (2020: £nil)
E Brookes (relative) £357 (2020: £nil)
A Brookes (relative) £280 (2020: £nil)

During the year no other payments were made to Trustees and relatives, which should be recognised as related party transactions. In 2020 payments totalling £200 were made to one Trustee for the provision of services integral to the day to day activities of the Synagogue and not in their capacity as a Trustee.

Donations received from trustees and other related parties in the year totalled £53,163 (2020 : £47,528).

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	13	13

Employment costs	2021 £	2020 £
Wages and salaries	524,222	492,711
Social security costs	48,315	37,862
Other pension costs	23,177	25,208
	595,714	555,781

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

	2021 Number	2020 Number
£60,000 - £69,999	1	1
£80,000 - £89,999	1	-
£90,000 - £99,999	1	1
£120,000 - £129,999	1	-
£130,000 - £139,999	-	1

14 **Tangible fixed assets**

	Freehold buildings	Fixtures and fittings	Religious items/ Sifrei Torah	Painting	Cemetery	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	2,480,619	118,683	2,558	25,000	891,983	3,518,843
Additions	1,500	45,616	-	-	-	47,116
At 31 December 2021	2,482,119	164,299	2,558	25,000	891,983	3,565,959
Depreciation and impairment						
At 1 January 2021	1,001,422	86,436	1,567	-	-	1,089,425
Depreciation charged in the year	101,658	19,670	99	-	-	121,427
At 31 December 2021	1,103,080	106,106	1,666	-	-	1,210,852
Carrying amount						
At 31 December 2021	1,379,039	58,193	892	25,000	891,983	2,355,107
At 31 December 2020	1,479,197	32,247	991	25,000	891,983	2,429,418

15 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	18,336	37,818
Prepayments	40,860	39,467
	59,196	77,285

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	12,440	13,191
Other creditors	10,576	12,902
Accruals	122,549	184,443
	145,565	210,536

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to income and expenditure in respect of defined contribution schemes was £23,177 (2020: £25,208).

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:

		Movement in funds				Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	**Balance at 1 January 2021**	**Incoming resources**	**Resources expended**	**Balance at 31 December 2021**
	£	£	£	£	£	£	£	£
Israel	7,862	37,073	(37,147)	-	7,788	50,015	(49,275)	8,528
Chevra	61,837	231	-	-	62,068	504	-	62,572
Welfare	-	35,000	(35,000)	-	-	35,600	(35,600)	-
Sports Fund	-	9,000	-	-	9,000	-	-	9,000
Medical Fund	1,204	-	-	-	1,204	3,898	(2,856)	2,246
Max Blum Book Prize Fund	2,763	-	-	-	2,763	-	-	2,763
Disabled Fund	570	-	-	-	570	-	-	570
Webcasting Project	10,578	-	(3,568)	(3,120)	3,890	-	(2,262)	1,628
VB Fund	3,664	-	-	-	3,664	-	-	3,664
Other Restricted Donations	1,452	-	-	-	1,452	2,000	(2,000)	1,452
Holocaust Memorial Day	32,105	60	(1,478)	(3,402)	27,285	-	-	27,285
	122,035	81,364	(77,193)	(6,522)	119,684	92,017	(91,993)	119,708

18 Restricted funds **(Continued)**

Israel - Funds raised for support of specific projects in Israel.

Chevra Kadisha - Fund to support care for the sick and needy and for work involved in cases of death.

Welfare - Funds to support the Synagogue's welfare activities.

Sports Fund - Football Scholarship supporting players at the Maccabi Games as a result of a specific legacy.

Medical Fund - Funds raised to assist sick members.

Max Blum - Fund established to provide books as prizes at the Cheder.

Disabled Fund - Fund established to support needs of disabled members of the community.

Webcasting project - Funds received to install a camera and provide the infrastructure for webcasting Synagogue services.

VB fund - Holding fund for Scholarships for musicians.

Other restricted donations - This represents amounts received for smaller projects.

Holocaust Memorial Day Fund – Funds raised to support the synagogue's Holocaust Memorial Day education programme to schools.

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:

	Balance at 1 January 2020	Resources expended	Transfers	**Balance at 1 January 2021**	**Resources expended**	**Transfers**	**Balance at 31 December 2021**
	£	£	£	£	£	£	£
Fixed Asset Funds	2,519,215	(115,131)	25,334	2,429,418	(121,427)	47,116	2,355,107
	2,519,215	(115,131)	25,334	2,429,418	(121,427)	47,116	2,355,107

Fixed asset fund - equates to the value of fixed assets at the balance sheet date. The transfer above, equalling fixed asset additions, has been made for this purpose.

20 Analysis of net assets between funds

	Unrestricted funds general	**Unrestricted funds designated**	**Restricted funds**	**Total**	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2021	**2021**	**2021**	**2021**	2020	2020	2020	2020
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:								
Tangible assets	-	2,355,107	-	2,355,107	-	2,429,418	-	2,429,418
Current assets/(liabilities)	987,459	-	119,708	1,107,167	1,001,697	-	119,684	1,121,381
	987,459	2,355,107	119,708	3,462,274	1,001,697	2,429,418	119,684	3,550,799

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21	Cash generated from operations	2021	2020
		£	£
	Deficit for the year	(88,525)	(127,057)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,849)	(8,866)
	Depreciation and impairment of tangible fixed assets	121,427	115,131
	Movements in working capital:		
	Decrease/(increase) in debtors	18,089	(15,420)
	(Decrease)/increase in creditors	(64,971)	42,122
	Cash (absorbed by)/generated from operations	(15,829)	5,910

22 Analysis of changes in net funds

The charity had no debt during the year.