
NORTH WESTERN REFORM SYNAGOGUE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

NORTH WESTERN REFORM SYNAGOGUE

CONTENTS

	Page
Independent Auditors' Report	21 - 23
Statement of Financial Activities	24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements	27 - 46

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NORTH WESTERN REFORM
SYNAGOGUE**

Opinion

We have audited the financial statements of North Western Reform Synagogue (the 'charity') for the year ended 31 December 2018 set out on pages 24 to 46. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NORTH WESTERN REFORM
SYNAGOGUE**

assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities

NORTH WESTERN REFORM SYNAGOGUE

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NORTH WESTERN REFORM
SYNAGOGUE**

(Accounts and Reports) Regulations 2008. 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Nyman Libson Paul
Chartered Accountants
Statutory Auditors
Regina House
124 Finchley Road
London
NW3 5JS
Date:

Nyman Libson Paul are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

NORTH WESTERN REFORM SYNAGOGUE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations and legacies	2	662,560	1,343,531	2,006,091	1,799,076
Charitable activities	3	45,838	469,819	515,657	520,171
Investments	4	3,696	22,112	25,808	21,749
Total income		<u>712,094</u>	<u>1,835,462</u>	<u>2,547,556</u>	<u>2,340,996</u>
Expenditure on:					
Raising funds	5	15,814	9,024	24,838	11,368
Charitable activities	6	194,774	1,845,508	2,040,282	2,161,124
Total expenditure		<u>210,588</u>	<u>1,854,532</u>	<u>2,065,120</u>	<u>2,172,492</u>
Net income / (expenditure) before investment gains/(losses)					
Net gains/(losses) on investments	12	501,506 (8,525)	(19,070) (49,101)	482,436 (57,626)	168,504 48,063
Net income / (expenditure) before transfers		<u>492,981</u>	<u>(68,171)</u>	<u>424,810</u>	<u>216,567</u>
Transfers between Funds	16	(1,677)	1,677	-	-
Net income / (expenditure) before other recognised gains and losses		<u>491,304</u>	<u>(66,494)</u>	<u>424,810</u>	<u>216,567</u>
Net movement in funds		<u>491,304</u>	<u>(66,494)</u>	<u>424,810</u>	<u>216,567</u>
Reconciliation of funds:					
Total funds brought forward		<u>2,473,926</u>	<u>673,042</u>	<u>3,146,968</u>	<u>2,930,401</u>
Total funds carried forward		<u><u>2,965,230</u></u>	<u><u>606,548</u></u>	<u><u>3,571,778</u></u>	<u><u>3,146,968</u></u>

The notes on pages 27 to 46 form part of these financial statements.

NORTH WESTERN REFORM SYNAGOGUE

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	11		1,701,246		1,754,299
Investments	12		905,208		946,453
			<u>2,606,454</u>		<u>2,700,752</u>
Current assets					
Debtors	13	140,857		145,855	
Cash at bank and in hand		1,014,498		519,485	
		<u>1,155,355</u>		<u>665,340</u>	
Creditors: amounts falling due within one year	14	(114,549)		(136,723)	
Net current assets			<u>1,040,806</u>		<u>528,617</u>
Total assets less current liabilities			<u>3,647,260</u>		<u>3,229,369</u>
Provisions for Liabilities	15		(75,482)		(82,401)
Net assets			<u>3,571,778</u>		<u>3,146,968</u>
Charity Funds					
Restricted funds	16		2,965,230		2,473,926
Unrestricted funds	16		606,548		673,042
Total funds			<u>3,571,778</u>		<u>3,146,968</u>

The financial statements were approved by the Trustees on _____ and signed on their behalf, by:

M Simon

R Baum

The notes on pages 27 to 46 form part of these financial statements.

NORTH WESTERN REFORM SYNAGOGUE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	500,061	163,266
Cash flows from investing activities:			
Purchase of tangible fixed assets		(5,048)	(6,073)
Withdrawals from investment fund		-	150,000
Net cash (used in)/provided by investing activities		(5,048)	143,927
Change in cash and cash equivalents in the year		495,013	307,193
Cash and cash equivalents brought forward		519,485	212,292
Cash and cash equivalents carried forward	19	1,014,498	519,485

The notes on pages 27 to 46 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

North Western Reform Synagogue constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The trustees have reviewed the circumstances of the charity and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Subscription income is recognised over the membership year, starting from the date of receipt.

Kindergarten fees and education income are deferred as necessary to recognise them over the period to which they relate.

Rental income is recognised over the period in which it is earned.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. They comprise central costs, including salaries and other expenses, related to the running of the synagogue. These costs have been allocated to charitable activities on a basis consistent with the use of resources.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs are costs relating to meeting the constitutional and statutory requirements of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	15% straight line
Computer equipment	-	25% straight line
New Bimah	-	4% straight line

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies (continued)

1.12 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Pensions

The charity pays contributions into certain employees' own personal private pension schemes. Contributions into these pension schemes are charged to the statement of financial activities for the year in which they are incurred.

1.14 Taxation

As a charity the synagogue is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

1.15 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the use of judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Tangible assets

Tangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Accruals

An estimate of accruals at the year end are made based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Income from donations and legacies

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Subscriptions	-	622,268	622,268	600,926
Donations and Legacies	575,478	416,256	991,734	937,501
Income tax recoverable	87,082	201,500	288,582	157,445
Burial Society fees	-	103,507	103,507	103,204
	<u>662,560</u>	<u>1,343,531</u>	<u>2,006,091</u>	<u>1,799,076</u>
Total 2017	<u><u>436,539</u></u>	<u><u>1,362,537</u></u>	<u><u>1,799,076</u></u>	

3. Income from charitable activities

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Services and festivals	45,838	11,711	57,549	70,777
Education	-	32,883	32,883	21,545
Youth	-	48,065	48,065	61,886
Kindergarten	-	336,106	336,106	305,762
Lettings	-	29,485	29,485	30,747
Other income	-	11,569	11,569	29,454
	<u>45,838</u>	<u>469,819</u>	<u>515,657</u>	<u>520,171</u>
Total 2017	<u><u>53,768</u></u>	<u><u>466,403</u></u>	<u><u>520,171</u></u>	

4. Investment income

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Dividends receivable	3,696	21,719	25,415	21,704
Interest receivable	-	393	393	45
	<u>3,696</u>	<u>22,112</u>	<u>25,808</u>	<u>21,749</u>
Total 2017	<u><u>3,432</u></u>	<u><u>18,317</u></u>	<u><u>21,749</u></u>	

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Costs of raising funds

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Fundraising costs	15,814	-	15,814	5,223
Investment management costs	-	9,024	9,024	6,145
	<u>15,814</u>	<u>9,024</u>	<u>24,838</u>	<u>11,368</u>
Total 2017	<u>5,223</u>	<u>6,145</u>	<u>11,368</u>	

6. Analysis of expenditure by activities

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Services and festivals	543,055	252,245	795,300	785,170
Education department expenses	142,083	82,553	224,636	236,011
Youth department expenses	45,849	18,915	64,764	128,425
Kindergarten	295,897	81,411	377,308	362,773
Reform Movement Affiliation	122,723	-	122,723	125,800
Board of Deputies	10,875	-	10,875	10,875
Burial scheme	112,902	-	112,902	103,751
Music department expenses	31,045	29,039	60,084	62,952
Welfare expenses	139,014	14,543	153,557	133,473
Other charitable expenses	39,995	78,138	118,133	211,894
	<u>1,483,438</u>	<u>556,844</u>	<u>2,040,282</u>	<u>2,161,124</u>
Total 2018	<u>1,483,438</u>	<u>556,844</u>	<u>2,040,282</u>	<u>2,161,124</u>
Total 2017	<u>1,603,265</u>	<u>557,859</u>	<u>2,161,124</u>	

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Support costs

	Services and festivals £	Education £	Youth £	Kindergarten £	Music department £
Printing, Postage and Stationery	17,260	5,727	1,312	5,648	2,015
Cleaning Materials and Services	5,394	1,790	410	1,765	630
Lighting, Heating and Rates	14,967	4,966	1,138	4,898	1,747
Repairs and Maintenance	20,987	6,964	1,596	6,867	2,449
Insurances	10,183	3,378	774	3,332	1,188
Security	2,199	729	167	719	257
Computer and IT costs	14,833	4,922	1,128	4,854	1,731
Telephone	2,326	772	177	761	271
Depreciation - Fixtures and fittings	2,070	687	157	677	242
Amortisation land and buildings	-	-	-	-	-
Depreciation - Computer system	1,717	569	130	562	200
Bank charges	3,105	1,031	236	1,016	363
Equipment repairs	62	20	5	20	7
Audit	-	-	-	-	-
Legal and professional fees	-	-	-	-	-
Accountancy fees	-	-	-	-	-
Recruitment costs	393	130	30	128	46
Other Items	18,409	6,109	1,400	6,024	2,149
Wages and salaries	124,789	41,406	9,487	40,834	14,565
National insurance	10,104	3,353	768	3,306	1,179
Pension cost	3,447	-	-	-	-
	<u>252,245</u>	<u>82,553</u>	<u>18,915</u>	<u>81,411</u>	<u>29,039</u>
Total 2017	<u><u>258,013</u></u>	<u><u>84,770</u></u>	<u><u>19,423</u></u>	<u><u>83,597</u></u>	<u><u>29,814</u></u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Support costs (continued)

	Welfare £	Other charitable expenses £	Total 2018 £	Total 2017 £
Printing, Postage and Stationery	1,009	-	32,971	30,546
Cleaning Materials and Services	315	-	10,304	10,194
Lighting, Heating and Rates	875	-	28,591	27,683
Repairs and Maintenance	1,227	-	40,090	113,236
Insurances	595	-	19,450	18,771
Security	128	-	4,199	5,736
Computer and IT costs	867	-	28,335	12,117
Telephone	136	-	4,443	5,450
Depreciation - Fixtures and fittings	121	-	3,954	2,951
Amortisation land and buildings	-	50,869	50,869	50,869
Depreciation - Computer system	100	-	3,278	2,804
Bank charges	182	-	5,933	6,175
Equipment repairs	4	-	118	19
Audit	-	7,200	7,200	5,400
Legal and professional fees	-	(209)	(209)	-
Accountancy fees	-	20,278	20,278	11,040
Recruitment costs	23	-	750	4,883
Other Items	1,076	-	35,167	32,394
Wages and salaries	7,294	-	238,375	199,941
National insurance	591	-	19,301	15,111
Pension cost	-	-	3,447	2,539
	<u>14,543</u>	<u>78,138</u>	<u>556,844</u>	<u>557,859</u>
Total 2017	<u>14,933</u>	<u>67,309</u>	<u>557,859</u>	

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Basis of allocation of support costs

Printing, postage and stationery	Usage
Cleaning materials and services	Floor area
Lighting, heating and rates	Floor area
Repairs and maintenance	Floor area
Insurances	Per capita
Security	Per capita
Computer and IT costs	Usage
Telephone	Usage
Depreciation - fixtures and fittings	Usage
Depreciation - land and buildings	Usage
Depreciation - computer equipment	Usage
Bank charges	Transactions incurred
Equipment repairs	Usage
Audit fees	Governance
Functions	Usage
Recruitment costs	Time
Other expenses	Floor area
Wages and salaries	Time
National insurance	Time
Pension costs	Time

8. Direct costs

	Services and festivals £	Education £	Youth £	Kindergarten £	Reform Movement Affiliation £	Board of Deputies £
Direct costs	217,942	8,571	44,331	77,959	122,723	10,875
Transport costs	-	-	40	-	-	-
Wages and salaries	257,178	124,507	-	202,835	-	-
National insurance	32,444	9,005	-	11,871	-	-
Pension cost	35,491	-	1,478	3,232	-	-
	<u>543,055</u>	<u>142,083</u>	<u>45,849</u>	<u>295,897</u>	<u>122,723</u>	<u>10,875</u>
Total 2016	<u>527,157</u>	<u>151,241</u>	<u>109,002</u>	<u>279,176</u>	<u>125,800</u>	<u>10,875</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Direct costs (continued)

	Burial scheme £	Music department £	Welfare £	Other charitable expenses £	Total 2018 £	Total 2017 £
Direct costs	112,902	1,772	82,033	38,970	718,078	789,404
Transport costs	-	-	8,167	-	8,207	52,879
Wages and salaries	-	26,850	42,100	-	653,470	628,309
National insurance	-	2,021	4,656	-	59,997	54,450
Pension cost	-	402	2,058	-	42,661	78,223
	<u>112,902</u>	<u>31,045</u>	<u>139,014</u>	<u>38,970</u>	<u>1,482,413</u>	<u>1,603,265</u>
Total 2016	<u>103,751</u>	<u>33,138</u>	<u>118,540</u>	<u>144,585</u>	<u>1,603,265</u>	

Basis of allocation of direct costs

Direct costs	Usage
Transport costs	Usage
Wages and salaries	Per capita
National insurance	Per capita
Pension costs	Per capita

9. Auditors' remuneration

	2018 £	2017 £
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	8,000	7,800
Fees payable to the charity's auditor and its associates in respect of:		
Accountancy and payroll preparation	21,118	10,452
Legal and professional fees	600	600
	<u>21,718</u>	<u>11,052</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	891,845	828,250
Social security costs	79,298	69,561
Other pension costs	46,108	80,762
	<u>1,017,251</u>	<u>978,573</u>

The monthly average number of persons employed by the charity during the year was as follows:

	2018 No.	2017 No.
Clergy and religious services	4	4
Kindergarten	17	15
Music	2	2
Welfare	1	1
Administration	7	8
Education	3	4
	<u>34</u>	<u>34</u>

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £80,001 - £100,000	0	1
In the band £100,001 - £150,000	2	1

Key management includes the core management team. The total amount payable to key management for employee services was £413,710 (2017: £386,771)

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2018	2,402,902	89,143	28,560	2,520,605
Additions	-	3,863	1,185	5,048
At 31 December 2018	<u>2,402,902</u>	<u>93,006</u>	<u>29,745</u>	<u>2,525,653</u>
Depreciation				
At 1 January 2018	666,538	78,563	21,205	766,306
Charge for the year	50,869	3,954	3,278	58,101
At 31 December 2018	<u>717,407</u>	<u>82,517</u>	<u>24,483</u>	<u>824,407</u>
Net book value				
At 31 December 2018	<u>1,685,495</u>	<u>10,489</u>	<u>5,262</u>	<u>1,701,246</u>
At 31 December 2017	<u>1,736,364</u>	<u>10,580</u>	<u>7,355</u>	<u>1,754,299</u>

12. Fixed asset investments

	Listed securities £	Cash surplus £	Total £
Market value			
At 1 January 2018	929,974	16,479	946,453
Additions	16,123	(16,123)	-
Disposals	(47,016)	47,016	-
Unrealised losses	(58,611)	-	(58,611)
Dividends reinvested	-	25,405	25,405
Investment management charges	-	(9,024)	(9,024)
Realised gains	985	-	985
At 31 December 2018	<u>841,455</u>	<u>63,753</u>	<u>905,208</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Debtors

	2018 £	2017 £
Other debtors	-	1,500
Prepayments and accrued income	110,902	109,840
Tax recoverable	29,955	34,515
	<u>140,857</u>	<u>145,855</u>

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	33,767	60,779
Other creditors	29,310	23,344
Accruals and deferred income	51,472	52,600
	<u>114,549</u>	<u>136,723</u>

In the year, £28,070 (2017: £32,768) of Kindergarten and education income was deferred to future periods for which they relate.

15. Provisions

	Pension liability £
At 1 January 2018	82,401
Released in the year	<u>(6,919)</u>
At 31 December 2018	<u>75,482</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Designated funds						
Access fund	5,255	-	(915)	-	-	4,340
Community Welfare	47,853	15,178	(19,500)	-	-	43,531
Kerch	33,541	119	(13,139)	-	-	20,521
Jack Petchey	6,655	1,500	(2,942)	-	-	5,213
Social Action	10,864	806	(1,238)	-	-	10,432
Alyth Youth Schemes	1,287	31,408	(32,695)	-	-	-
Outreach	15,235	1,000	(4,800)	-	-	11,435
Education	66,070	-	(8,500)	-	-	57,570
Alyth Youth Singers	4,412	100	(534)	-	-	3,978
Alyth Academy of Performing Arts	3,179	4,507	(4,690)	-	-	2,996
Sefer Torah	577	-	-	-	-	577
Social Justice Fund	14,628	7,445	(1,050)	-	-	21,023
Refugee project	18,839	475	(9,525)	-	-	9,789
Alyth Centre for Jewish Music	(284)	555	(271)	-	-	-
Alyth Children Theatre	4,215	-	-	-	-	4,215
Alyth Ramblers	400	32,129	(32,129)	-	-	400
Contingency Fund	400,000	-	-	-	-	400,000
Talmud	2,057	-	(1,630)	-	-	427
Welfare Assistance	4,117	-	(4,117)	-	-	-
Burial Fund	5,526	4,377	-	-	-	9,903
Other	(3,991)	8,887	(2,983)	-	-	1,913
	<u>640,435</u>	<u>108,486</u>	<u>(140,658)</u>	<u>-</u>	<u>-</u>	<u>608,263</u>
General funds						
General Funds - all funds	32,607	1,726,976	(1,713,874)	1,677	(49,101)	(1,715)
Total Unrestricted funds	<u>673,042</u>	<u>1,835,462</u>	<u>(1,854,532)</u>	<u>1,677</u>	<u>(49,101)</u>	<u>606,548</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Statement of funds (continued)

Restricted funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Gladys Gebbie	109,337	2,213	(23,657)	-	(5,104)	82,789
Jubilee	73,293	1,483	-	-	(3,421)	71,355
Alyth Youth	62,434	-	(1,633)	-	-	60,801
Rabbi's Charitable	77,108	66,379	(34,816)	-	-	108,671
Alyth Football Clubs	1,620	60	(1,680)	-	-	-
Freehold land & buildings	1,736,364	-	(50,869)	-	-	1,685,495
High Holy Day fund	1,677	45,838	(45,838)	(1,677)	-	-
Tekiyah	404,550	590,246	(52,095)	-	-	942,701
NWRS Charitable Fund	-	5,875	-	-	-	5,875
Other restricted funds	7,543	-	-	-	-	7,543
	<u>2,473,926</u>	<u>712,094</u>	<u>(210,588)</u>	<u>(1,677)</u>	<u>(8,525)</u>	<u>2,965,230</u>
Total of funds	<u><u>3,146,968</u></u>	<u><u>2,547,556</u></u>	<u><u>(2,065,120)</u></u>	<u><u>-</u></u>	<u><u>(57,626)</u></u>	<u><u>3,571,778</u></u>

Gladys Gebbie fund represents investments of the late Gladys Gebbie and the outgoing amount is used to fund part of the Welfare Officer's salary and expenses.

Jubilee fund relates to a fund set up to provide grants out of capital for major work to the Synagogue and grants out of income to fund education activities. It originally had its own trustees and constitution.

Alyth Youth fund provides grants to the youth department and direct to individuals to assist with specific activities and purchases. It originally had its own trustees and constitution.

Rabbi's Charitable fund is an account set up by the Rabbi, which is now part of the Synagogues restricted funds. Income is obtained from donations from members and confidential payments are made to members of the Synagogue in extreme financial need at the discretion of the Rabbi and the President who are trustees of this account.

The High Holyday Appeal fund represents amounts collected by the High Holyday Appeal of the Synagogue and other collections which have been or will be paid to earmarked charities or to designated funds held by the synagogue used for specified charitable purposes.

The Tekiyah fund represents monies allocated to be spent in the future by the Synagogue in relation to improvements to its buildings.

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Designated funds						
Access fund	6,080	-	(825)	-	-	5,255
Community Welfare	7,118	68,161	(27,426)	-	-	47,853
Kerch	31,150	2,391	-	-	-	33,541
Jack Petchey	5,453	2,250	(1,048)	-	-	6,655
Social Action	12,306	-	(1,442)	-	-	10,864
Alyth Youth Schemes	901	19,299	(18,913)	-	-	1,287
Outreach	20,035	-	(4,800)	-	-	15,235
Education	74,470	-	(8,400)	-	-	66,070
Alyth Youth Singers	10,124	15,030	(20,742)	-	-	4,412
Alyth Academy of Performing Arts	2,503	4,817	(4,141)	-	-	3,179
Sefer Torah	577	-	-	-	-	577
Social Justice Fund	14,528	11,000	(10,900)	-	-	14,628
Refugee project	4,003	23,010	(8,174)	-	-	18,839
Alyth Centre for Jewish Music	-	720	(1,004)	-	-	(284)
Alyth Children Theatre	3,352	4,635	(3,772)	-	-	4,215
Alyth Ramblers	3,400	34,424	(37,424)	-	-	400
Contingency Fund	400,000	-	-	-	-	400,000
Talmud	2,057	-	-	-	-	2,057
Welfare Assistance	-	10,000	(5,883)	-	-	4,117
Burial Fund	-	-	-	5,526	-	5,526
Other	3,303	56,858	(64,152)	-	-	(3,991)
	<u>601,360</u>	<u>252,595</u>	<u>(219,046)</u>	<u>5,526</u>	<u>-</u>	<u>640,435</u>
General Funds - all funds	<u>45,323</u>	<u>1,594,662</u>	<u>(1,647,857)</u>	<u>-</u>	<u>40,479</u>	<u>32,607</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Statement of funds (continued)

Restricted funds

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Gladys Gebbie	126,720	2,218	(24,502)	-	4,901	109,337
Jubilee	69,396	1,214	-	-	2,683	73,293
Alyth Youth	62,434	-	-	-	-	62,434
Rabbi's Charitable	49,561	43,627	(16,080)	-	-	77,108
Alyth Football Clubs	24,104	26,555	(49,039)	-	-	1,620
Freehold land & buildings	1,787,233	-	(50,869)	-	-	1,736,364
Tekiyah	144,732	364,477	(104,659)	-	-	404,550
High Holy Day fund	8,349	53,768	(60,440)	-	-	1,677
Other restricted funds	11,189	1,880	-	(5,526)	-	7,543
	<u>2,283,718</u>	<u>493,739</u>	<u>(305,589)</u>	<u>(5,526)</u>	<u>7,584</u>	<u>2,473,926</u>
Total of funds	<u>2,930,401</u>	<u>2,340,996</u>	<u>(2,172,492)</u>	<u>-</u>	<u>48,063</u>	<u>3,146,968</u>

Summary of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Designated funds	640,435	108,486	(140,658)	-	-	608,263
General funds	32,607	1,726,976	(1,713,874)	1,677	(49,101)	(1,715)
	<u>673,042</u>	<u>1,835,462</u>	<u>(1,854,532)</u>	<u>1,677</u>	<u>(49,101)</u>	<u>606,548</u>
Restricted funds	2,473,926	712,094	(210,588)	(1,677)	(8,525)	2,965,230
	<u>3,146,968</u>	<u>2,547,556</u>	<u>(2,065,120)</u>	<u>-</u>	<u>(57,626)</u>	<u>3,571,778</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Statement of funds (continued)

Summary of funds - prior year

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Designated funds	601,360	252,595	(219,046)	5,526	-	640,435
General funds	45,323	1,594,662	(1,647,857)	-	40,479	32,607
	<u>646,683</u>	<u>1,847,257</u>	<u>(1,866,903)</u>	<u>5,526</u>	<u>40,479</u>	<u>673,042</u>
Restricted funds	2,283,718	493,739	(305,589)	(5,526)	7,584	2,473,926
	<u>2,930,401</u>	<u>2,340,996</u>	<u>(2,172,492)</u>	<u>-</u>	<u>48,063</u>	<u>3,146,968</u>

NORTH WESTERN REFORM SYNAGOGUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	1,685,495	15,751	1,701,246
Fixed asset investments	270,420	634,788	905,208
Current assets	1,009,315	146,040	1,155,355
Creditors due within one year	-	(114,549)	(114,549)
Provisions for liabilities and charges	-	(75,482)	(75,482)
	<u>2,965,230</u>	<u>606,548</u>	<u>3,571,778</u>

Analysis of net assets between funds - prior year

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	1,736,364	17,935	1,754,299
Fixed asset investments	350,300	236,089	946,453
Current assets	387,262	638,142	665,340
Creditors due within one year	-	(136,723)	(136,723)
Provisions for liabilities and charges	-	(82,401)	(82,401)
	<u>2,473,926</u>	<u>673,042</u>	<u>3,146,968</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	424,810	216,567
Adjustment for:		
Depreciation charges	58,101	56,624
Losses/(gains) on investments	66,650	(39,590)
Dividends, interest and rents from investments	(25,405)	(21,461)
Decrease/(increase) in debtors	4,998	(62,944)
Decrease in creditors	(22,174)	(20,095)
(Decrease)/increase in provisions	(6,919)	34,165
Net cash provided by operating activities	<u>500,061</u>	<u>163,266</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

19. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	1,014,498	519,485
Total	<u>1,014,498</u>	<u>519,485</u>

20. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £48,810 (2017 - £39,987).

21. Related party transactions

There were no transactions with related parties in the year (2017: None).