

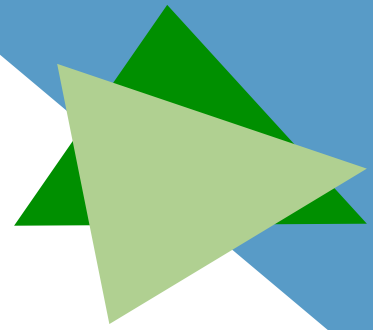


To pray. To learn. To live. Together.



## 2019 Trustee's Report & Statutory Accounts

For the period 1 January - 31 December 2019



# Trustee's Report and Statutory Accounts for the Period 1 January - 31 December 2019

## Legal and Administrative Information for the year ended 31 December 2019

<u>Members of Council</u>		
Russell Baum*	Chair	
David Brown*	Vice Chair	
Peter Backman	President	Retired May 2019
Jon Epstein	President	Elected May 2019
Andrew Gellert	Vice President	
Robbie Jackman	Vice President	
Ruth Smilg	Vice President	Elected May 2019
<u>Elected Members of Council</u>		
Jeremy Baum		Elected May 2019
Howard Bogod		
Irit Burkeman		Stood down September 2018
Cheryl Brodie		
Noeleen Cohen		Elected May 2019
Nicola Feuchtwang		Retired September 2019
David Finlay		
Richard Fraiman		
Caronne Graham*	Honorary Secretary	
Margaret Harris	Vice President	Retired May 2019   Council Member May 19
Michael Jawett		Co-opted December 2018
Kerry Lambeth		Elected May 2019
Gary Lipman		
Nick Morris		Retired July 2019
Arieh Miller*		
Nicky Minter-Green*		
Fran Moscow		
Michael Overlander*		
Michael Simon*	Honorary Treasurer	Retired May 2019

\*Trustee of the Charity and member of the Executive Committee. | \*\*Elected as a member of Council  
The title of the synagogue building in Alyth Gardens is held by the Trustees of North Western Reform Synagogue.

### Basis of Preparation of Financial Statements

The Trustees present their annual report together with the audited financial statements of North Western Reform Synagogue (the charity) for the year ended 31 December 2019. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102) (effective 1 January 2015).

## Legal and Administrative Information for the year ended 31 December 2019

**Address:** Alyth Gardens. London. NW11 7EN

### **Auditors**

Nyman Libson Paul  
Regina House  
124 Finchley Road  
London  
NW3 5JS

### **Bankers**

NatWest Bank  
45 Tottenham Court Road  
London  
W1T 2EA

### **Honorary Solicitor**

Lawrence Radley LLB  
Reed Smith LLP  
Broadgate Tower  
EC2A 2RS

### **Investment Advisors**

Investec Wealth Management  
30 Gresham Street  
London  
EC2V 7QW

### **Clergy**

Rabbi Josh Levy	Principal Rabbi
Rabbi Hannah Kingston	Rabbi
Rabbi Colin Eimer	Rabbi
Rabbi Mark Goldsmith	(until May 2019)

### **Senior Staff**

Adam Martin	Community Director
Lynette Sunderland	Head of Community Care and Lifecycle
Samantha Heller	Head of Programming
Tor Alter	Head of Kindergarten
Katie Hainbach	Head of Music and Arts
Sarah Langsford	Fundraising & Development Coordinator

### **Representatives to the Board of Deputies of British Jews**

Annabelle Daiches	
Joseph Grabiner	
Brenda Freedman	
Philip Freedman	
Angela Wilson	Retired May 2019
John Fulcher	Appointed July 2019

### **Representative to Reform Judaism (RJ)**

Paul Langsford  
Elliot Perry

### **Representative to the Jewish Joint Burial Society (JJBS)**

Hilary Roer

### **Organisations with which Alyth is affiliated:**

**EUPJ** – European Union for Progressive Judaism  
**WUPJ** – World Union for Progressive Judaism  
**IMPJ** – Israel Movement for Reform & Progressive Judaism

**Board of Deputies of British Jews**  
**Pro Zion** (Progressive Judaism Israel) / Arzenu UK  
**Zionist Federation of Great Britain**

## From the Trustees:

The preparation of our Trustee's Report after the financial year-end in December, is an opportunity to reflect on the year that has passed. It is a moment to feel proud of our community's achievements, to linger over a photograph and remember 'that' moment, and to be reminded of the lives we touch by praying, living and learning together.

This year it is different. The Trustee's Report is being prepared as we live through the Covid-19 pandemic, an unprecedented event that will have a lasting impact on us, on our community, our neighbours and on the world. Whatever the future holds, we know that the strong foundations on which Alyth is built will give us the fortitude to face the challenges and embrace the opportunities that will emerge from this time of crisis.

The enduring strength of the collaborative partnership between the lay leadership and our senior professionals has enabled us to navigate the changing tide of congregational life. Rabbi Josh has provided spiritual, educational and communal vision for the community, supported by Rabbis Hannah and Colin and the outstanding Professional and Staff Team. The commitment and energy of the team is evident in every area of our communal lives. Thank you Team!

2019 was an exciting year for Alyth. Along with the successful recruitment of two new members of the Clergy Team who will join us at different stages in 2020, we carried out a realignment of our operational and administrative functions and brought the governance review to fruition in November when

Alyth became a charitable incorporated company. The changes to our model of governance will be implemented (now more slowly) as we move through 2020.

The need to repair and develop our physical space has not changed. In 2019 the focus was on finalising planning and the design and putting the financial plan in place to enable us to start building in 2020. We don't know what the future holds, what we do know is open or closed, our building remains our home, filled with our voices or quiet as it is now; it is where we will come together again, slowly at first but together. We must continue to invest in our building and in our future.

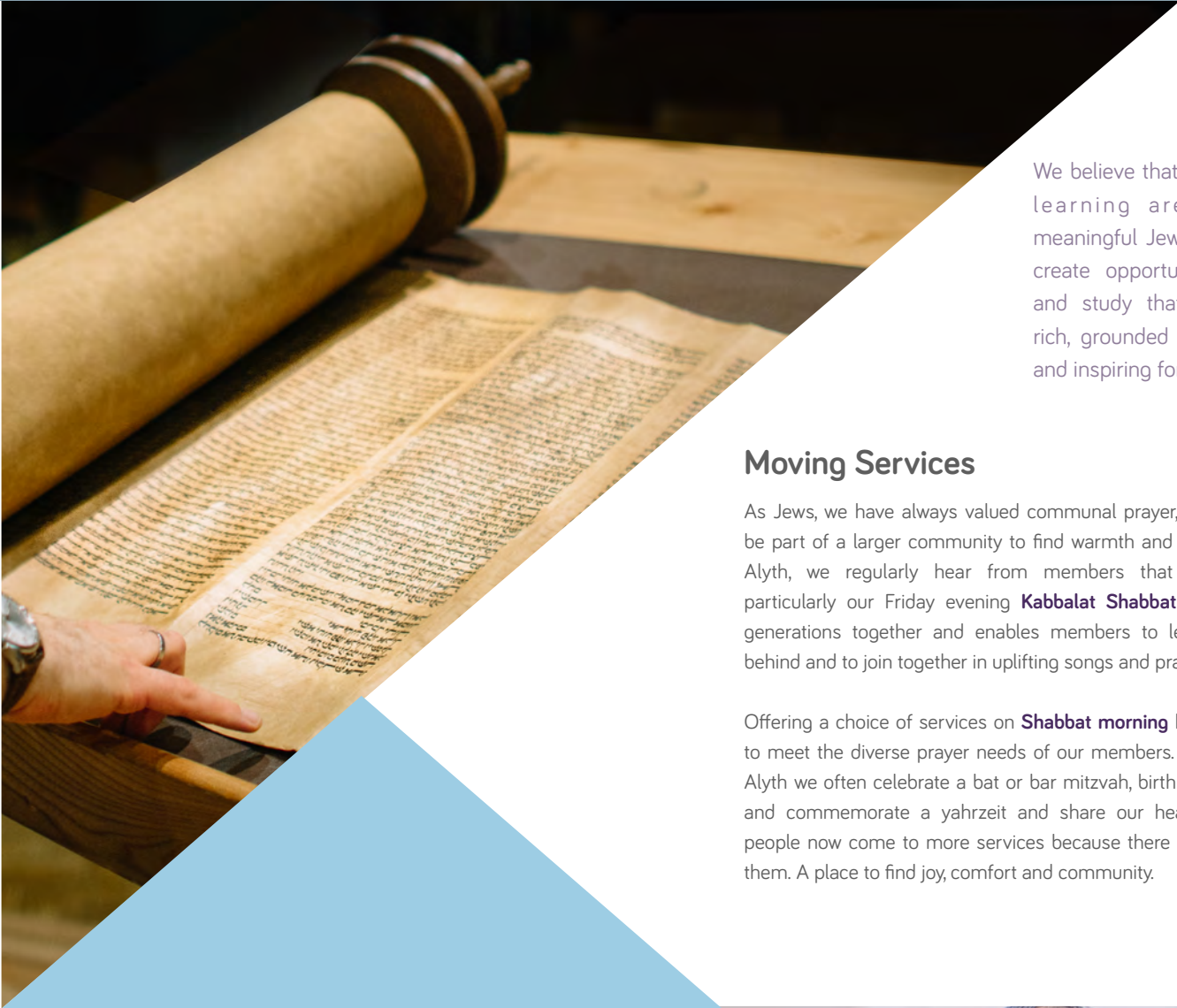
Community is about us. All of us. As the Trustees, we feel immensely privileged to lead Alyth, a community that connects all of us to Jewish life and to each other. May we continue to do so at a time when community matters more than ever before.

**Trustees:** Russell Baum, David Brown, Noeleen Cohen, Caronne Graham, Arie Miller, Nicky Minter-Green, Michael Overlander, Julia Simmonds, Michael Simon





To pray, to learn, to live. Together.  
It's what we do



## To Pray

We believe that prayer and Jewish learning are central to a meaningful Jewish life. We aim to create opportunities for worship and study that are intellectually rich, grounded in Jewish tradition and inspiring for all.

## Moving Services

As Jews, we have always valued communal prayer, where we can be part of a larger community to find warmth and sustenance. At Alyth, we regularly hear from members that our services, particularly our Friday evening **Kabbalat Shabbat service**, bring generations together and enables members to leave the week behind and to join together in uplifting songs and prayer.

Offering a choice of services on **Shabbat morning** has enabled us to meet the diverse prayer needs of our members. On shabbat at Alyth we often celebrate a bat or bar mitzvah, birth or anniversary, and commemorate a yahrzeit and share our heartaches. More people now come to more services because there is a service for them. A place to find joy, comfort and community.

**Sensory Shabbat** continues to bring joy and an infusion of Jewish music and prayer to the lives of our youngest members and their families (grandparents especially).

Every month, more than **30 young families** come together to be inspired by Rabbi Hannah and the Sensory Shabbat Team to engage with their babies as they take them on the first stage of their Jewish journey.



Shacharit  
Big Bang  
Imrei finu  
**Shabbat**  
Kollot  
Friday Night  
Sensory  
Arosues  
Tefillah  
High Holy Days  
Festivals  
Lab  
Baby Den

# To pray, to learn, to live. Together. It's what we do

## To Learn

We believe that Judaism is best shared with a diverse group of people. Ours is an accessible, grown up Judaism and one that nurtures and challenges our young people, both a Judaism for families and one that responds to the individual

## Inspirational lifelong learning

Learning begins early, and never really ends at Alyth. We understand that Judaism has something to offer everyone and in doing so our Rabbis and Educators deliver Jewish learning that is accessible and challenging and questioning, whilst always rooted in tradition and text.

Jewish Journeys begin in our **Kindergarten** where our youngest children celebrate the festivals and holidays, sing, play, share stories and on Friday morning, welcome Shabbat, often with their parents and grandparents joining in too.

The journey continues in **SMG**, our **Sunday Morning Galim programme**, and our **Erev Shabbat Ruach** (B'nei Mitzvah) programme. Our outstanding Youth & Education Team continue to deliver engaging programming for our 4-12 year olds. We recognise that every child and every family, experience their Judaism in different ways. Our Team strive to ensure that every child finds a way to connect with their tradition, their community and with each other.

By learning and leading together our children develop a formative understanding of their Judaism, acquire leadership skills and form enduring friendships and social bonds.

### Youth & Education Hub activities & programmes include:

- **SMG**: Sunday Morning Galim for ages 4-12
- **Erev Shabbat Ruach** programme for pre-bnei mitzvah children.
- Mentoring Programme for post-bnei mitzvah who study with and mentor those coming up to their bar or bat mitzvah.
- Leadership starts early. **Hadracha** (leadership) training programme.
- Being away with friends on our residential weekends **SWAY Away** summer camp.
- **Day Camps** in summer and over half terms for younger children.
- **Half Term trips** to Europe for our Teens
- **ACT, PACT and AAPA**: our drama groups, for children of every age. This year we saw them shine in High School Musical and Aladdin.

Learning doesn't end when you are an Adult. For many it just begins. Our **Adult Learning Programme** provides opportunities for members with a range of depth of knowledge to engage in study and debating the most important Jewish ideas and their sources.

Our Rabbis and many distinguished and inspiring teachers help members to explore our texts and traditions and expand their understandings of a modern, engaging Judaism.



"Being a madricha (leader) at Alyth has changed my life. I love the young people that I work with in SMG. It's such a privilege to get to know them. I hope that they have learned something from me. I know I have learnt so much from them."  
SMG Teaching Assistant (16)



# To pray, to learn, to live. Together It's what we do



## To Live

We believe that nothing is more important in the life of the community than the relationships that we build and the welcome that we give one another.

## Strengthening the foundations of mutual care & community

Our commitment to one another is to LIVE together in community and for Alyth to be a place to come to, to be involved in and to find companionship. It is our home. A place where everyone can celebrate, volunteer, learn, sing and cook; all while creating and strengthening friendships and bonds with one another, growing together in our Jewish journeys.

### Membership

Being a member of Alyth means sharing our joys and celebrations and also having a support structure when times aren't as easy. Our thoughtful and inclusive approach to membership ensures that everyone has access to synagogue and community, to care and companionship, and to the support, guidance and care of our Rabbis and Professionals who accompany members on many stages of their Jewish Journeys.

**In 2019 we welcomed 193 new members into our community.**

- ❖ 30 of them are under 4
- ❖ 25 of them are between 10 and 20 years old
- ❖ 57 people are aged 40 to 60 years old
- ❖ AND 2 are over 90

### Volunteering

Volunteers are at the heart of all we do at Alyth. Our leadership are committed volunteers. Our shabbat welcomers and clergy support in services are volunteers. Our choir and all those who arrange activities, make tea and shabbat lunches, are all volunteers. Those who support guests at the Refugee Drop-in and Winter Homeless Shelter. Our security teams. These are our committed volunteers.

These meaningful partnerships between our professionals and the many volunteers at Alyth are what gives our many programmes and activities that extraordinary sense of joy and purpose.

Whether we volunteer regularly, occasionally or just one day a year, we all get as much out of it as we give. Let's keep doing it.

### What we're doing

- ❖ Care in the community means keeping in touch and dropping in with challah and plants and fruit on festivals
- ❖ Our bereavement group offers care and a listening ear to those who have suffered a loss
- ❖ Regular Shabbat lunches and teas for our older members
- ❖ Soup, News & Schmooze keeping everyone up to date
- ❖ Shabbat B'yachad dinners for the community
- ❖ Senior Club for entertainment and tea for seniors from far and wide
- ❖ Shalom suppers in partnership with JAMI for those with special needs and who are also warmly welcomed to the Monday Club for weekly company, sustenance and fun



120

The number of people who every month attend one of our activities or opportunities to share a meal and socialise, for those with special needs and for our older members and friends.



550+

Volunteers who make Alyth the caring, inclusive and inspiring community that we are. Thank you to everyone for everything that you do. Please don't stop.



225

Plants, fruit and love delivered by our Care Team and volunteers to members of the community every year at Purim and Sukkot.

# To pray, to learn, to live. Together. It's what we do

## To Act

We believe in a Judaism that is utterly engaged with the world around us, both within the Jewish people and the wider community.

Our shared actions not only enrich our lives, they inspire us to do more to change our understanding of the world in which we live and to engage with the wider community.

In a year in which elections were held in both the UK and Israel, we brought the conversation into our community. We hosted inspiring speakers, politicians and a multi-faith pre-election hustings for the Golders Green constituency. Alyth is a safe space in which we hear different voices and perspectives on the pressing issues and from politicians advocating for their parties.

We are made stronger by being aware of the needs of vulnerable people both within and outside our community and by building strong connections with the community around us. Hosting Muslim friends and neighbours during Ramadan for an iftar, coming together with the many regular friends who come to the Refugee Drop-In and sharing a meal with the guests at the Barnet Winter Shelter we co-host with Golders Green Parish Church. These are the "acts", the real connections that help to build justice, compassion and equality in a sometimes broken world.



## During 2019 we acted to help build a better, kinder world

- We hosted over 220 Muslim friends and neighbours over Ramadan at our 6th **Kosher Iftar**
- **Dementia Awareness Week.** We hosted a production of an important play about the impact of dementia today.
- The **Refugee Drop-In** is a much loved and valued social space. Alongside the monthly drop-in, the group went on outings and held another wonderful concert with Wiyaaala in May.
- The Sunday Morning Galim classes, teens and many adults once again took part in **Mitzvah Day** which celebrated its 12th anniversary this year.
- **Invest in Peace** joined members to share their powerful vision for peace and prosperity for all Israel's citizens.



- As part of the **Together in Barnet Winter Night Shelter** project, volunteers provided food and company for the homeless with our partners at Golders Green Methodist Church.
- We explored the big issues around Israel and anti-Semitism hearing from Anat Hofman of **Israel Religious Action Centre (IRAC)**, from the **UJIA** and **Bicom** and also from **Arzenu** (the Reform Movement advocacy arm in Israel) and the **New Israel Fund** who are a voice for human rights in Israel.
- Around the time of both the European and UK elections, **Luciana Berger**, then MP, came to Alyth to share the story of her political life and the impact of anti-Semitism on her personally and on politics in general.

*"It is hard to find the words to explain what it means to me to come to Alyth on a Monday afternoon for tea and cake and wonderful entertainment. Knowing that I will be together with friends for a couple of hours makes my week so much better. It seems such a small thing but for me, it's life saving." Mr. P. (lifelong Alyth member. 83)*



# To pray, to learn, to live. Together. It's what we do

## Together

Alyth is a vibrant and welcoming community where we embrace prayer (tefillah) and learning. We practice a shared Judaism that is innovative and inclusive and that engages with the world around us.

Once again, 2019 was a full and busy year. The quality of prayer, programmes and activities is as always, outstanding. More of us came together to pray and learn, act and live. We also came together to socialise and cook and cycle and sing together.

We are a community with a membership that is diverse in both age and stage and in how they choose to engage. Each week over 700 people come into our building, some of them coming in more than once, to engage with a service, programme or activity.

### Here is a small taste of what brings people together:

**Music** is as always, an enormous part of our prayer and communal life. Choirs and pre-Shabbat "Sing with Us" sessions connect us to our tradition and the music we love

Helping us to live more consciously and cultivate calm and resilience, the interest in **Jewish Mindfulness Meditation** and **Yoga** has grown year on year. Mental health matters. We're making sure it matters at Alyth too.

The **Alyth Cycling Community** meet monthly for rides both locally and further afield.

The **Ramblers** continue to ramble, trekking across the English countryside and again this year in Israel. Another group of intrepid travellers, went on an **Andalusian adventure** with Rabbi Hannah and Lynette and Rabbi Haim Casas in Cordoba



## Thank you

Without our Professional & Staff Team, Lay Leaders and volunteers we would not be the vibrant, warm and exceptional community that we are.

We are thankful to our incredible Rabbis, **Josh, Hannah and Colin** who enlighten and inspire us, and to every member of the **Professional and Staff Teams** for their dedication and care in creating everything that we do.

Thank you to every volunteer who leads on our cycling, walking, talking or mindfulness activities, to those who prepare meals and teas, provide companionship and support and who drive the minibus that brings our members to shul.

**Without all of you, there's no Us.**

In 2019 our focus was on **Building the Future, together**. To continue to deliver all that we do to our 1450 families we really need to have a welcoming, modern, accessible building. We could not be prouder of what we do now; but in a building in which many of our spaces need extensive repairs and upgrading, we cannot continue to meet the needs of our community in the way that we must.

The development of our building will transform how we pray and learn as a community, and how we welcome and how we care for all of our members, from the youngest to the very oldest, who often need us the most.

**Thank you to everyone who has supported the project. Your have invested in the future. Together.**



# The Numbers

At Alyth we budget to a vision.

The salaries of our rabbis and staff team accounts for over half of our expenditure; an investment in our biggest asset.

Our Professionals and Staff Team work efficiently within the limitations of our budget, continuing to deliver an extensive range of outstanding services and programming for our community. We are prudent with our funds and generous with our commitment.

Our resources are used judiciously to ensure that Judaism and our Jewish community thrive.

## The numbers

In 2019 the Executive Committee served as the Trustees of the Synagogue and are responsible for the management of risk faced by the Synagogue. Having reviewed the principal risks and uncertainties facing the Synagogue, the Trustees are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately identified. The Financial Advisory Committee (FAC) assist in monitoring the charity's financial control systems.

The total funds at 31 December 2019 were £3.58m (2018: £3.57m). Of these, the restricted funds were £2.92m (2018: £2.97m). The funds include money brought in from fundraising for the new building.

The income during 2019 comprised member contributions of £664k (2018: £622k) and donations, primarily pledges to the building project of £623k (2018: £992k). Of the latter, £265k (2018: £575k) was taken to restricted funds. There was also income tax recoverable of £251k (2018: £289k) of which £56k is in respect of building fund donations and this amount is reflected in debtors. Overall, there was a surplus arising on the net movement of funds in 2019 of £10.9k (2018: £425k).

The salaries of the Rabbis and Staff Team account for over 50% of the expenditure of the synagogue. In 2019, the reduction in staff salaries and wages, £987k (2018: £1.01m) was due to the departure of a member of the Rabbinic Team. Savings were partly offset by the cost of additional Rabbinic cover to support the delivery of a diverse range of services and programming to the community. Cash balances showed a decrease to £930k (2018: £1,014k) mainly as a result of a slowdown in the collection of pledges towards the Building Fund.

In terms of provisions, the defined contribution pension set aside reduced by £7.5k to £68k at the year end reflecting one year's worth of payments towards the actuarially calculated technical deficit and the contingent liability remains fully covered.

Fundraising for the development of the building continued in 2019 and will do so for the foreseeable future. This focus, allied to finite



time resources means less emphasis can be applied to fundraising for general activities. The Trustees continue to be vigilant in monitoring expenditure and prudent in managing costs. They are constantly looking for additional sources of funds (i.e. grants and trusts) to support the ongoing programming needs of the community and wish to thank our all those who have pledged their support for the project and the future.

Bequests are an important source of funding. A single, small legacy came in during 2019: £2k (2018: £87k). It is our intention to launch a substantial legacy campaign in 2020 to draw attention to the importance of sustaining Alyth through legacy giving.

Income from contributions rose by £42k this year following an increase of £21k in 2018. This is mainly via an inflation linked rise in the standard rates and a net increase in membership. The Trustees rely on our members paying their requested contributions given that we aim for a balanced budget on our day to day activities and are ever grateful to those who pay this and a little bit more.

The Synagogue is a member of the Jewish Joint Burial Society (JJBS). It is a requirement that every member of the Synagogue contributes to the JJBS. The annual payment of £50 per annum (2018: £50) entitles every full member and Associates to a burial at Cheshunt Cemetery or a cremation, normally held at Golders Green Crematorium. During 2019, £107k (2018 £104k) was collected from the members and £112k (2018: £112k) including arrears was transferred to the JJBS. The Trustees wish to draw attention to a designated funeral assistance fund, which is set aside to help with any shortfall required to pay for a funeral for any member who is not fully covered under the scheme.

Finally, the Trustees wish to thank all those who assist in managing and planning the finances of the Synagogue, particularly our diligent and hard-working staff in both the finance and fundraising areas of our work and to all the members of the FAC who have given guidance and shared their financial expertise over the many years that they have served Alyth. Our thanks too, to all the incredible, dedicated volunteers who assist us in our charitable fundraising activities.<sup>10</sup>

# Our Reserves & Investments

## Reserves Policy

The Trustees aim to maintain sufficient general and contingency reserves so as to be able to meet unexpected operating costs of the Synagogue and to contribute to such contingencies as the maintenance of the building. The free reserves at 31 December 2019 amounted to £642k (2018: £606k) after accounting for the valuation gain.

This compares to a reduction of 3% in the annual cost of staff remuneration due to a reduction in the size of the rabbinic team, including pension provisions to £987k (2018: £1,017k) The total unrestricted expenditure on charitable activities excluding JJBS contributions, inclusive of staff costs, fell back slightly to £1,991k (2018: £1,845k).

The free reserves include £188k (2018: 208k) that has been allocated to various projects and worthy causes which are regarded as part of normal charitable activities and these allocations are internal and can be amended by the Trustees if required.

Free reserves therefore represent just under 4 months' cover over normal charitable activity expenditure and this is slightly lower compared to last year. The Trustees and the FAC monitor this KPI keenly and it is currently operating within its target range. Particular attention is given to monitor its likely trend over the foreseeable future in order to set an appropriate budget strategy especially whilst we are concentrating efforts on fundraising for the new building.

The restricted funds of £2.92m (2018: £2.96m) predominantly comprise the value of the land on which the building sits. No formal valuation has been carried out. There are additional reserves of £1.28m (2018: £1.28m) the use of which is mandated by trust deeds, the largest fund of which being £940k (2018: £943k) set aside for the building project.

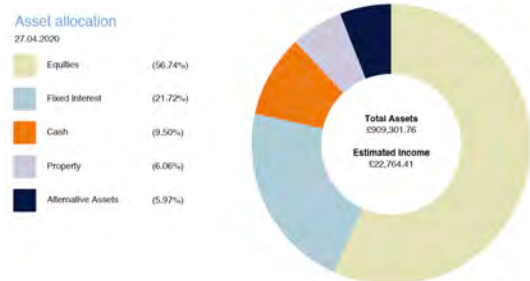
## Investments

**Policy:** The investment policy was last reviewed in 2017 and is due for review during 2020. The Synagogue invests funds so as to generate reasonable long-term capital and income growth commensurate with the need to finance its long-term expenditure requirements and to protect the Synagogue's capital against the risk of inflation. The overall objective is a balanced investment strategy, agreed with the investment manager, to invest so as to generate long term capital appreciation over the full investment cycle, typically five years, with a spread of asset classes to ensure adequate diversification on a medium risk profile. The portfolio is invested directly in bonds and UK equities except for specialist areas whilst all other asset classes are invested in collectives. The asset allocation at

the year-end was: 19% (benchmark 23%) in fixed interest bonds, 64% (62%) in UK & overseas equities and 17% (15%) held in property, alternative assets and cash. The benchmark is set using a selection of internationally recognised stocks and shares indices and the BoE base rate.

The investment manager is responsible for asset allocation and for making investments through a carefully selected group of both internal and external fund managers, in accordance with a number of restrictions set out in the policy, including those that avoid excessive portfolio concentration; alternative investments such as hedge funds are not permitted, and foreign exchange transactions are only permitted for hedging currency risk and not for speculation. The Total Expense Ratio is set at less than 1.25%. The investment performance was considered regularly by the FAC and future review will be the responsibility of the Advisory Group on Financial Matters. The Trustees consider social, environmental and ethical areas in which the Synagogue should not invest. However, as they have selected an investment manager that invests in a broad range of funds together with identifiable individual equities, only an immaterial percentage of the funds might be invested indirectly in a company which might conflict with the Synagogue's principles. It has therefore been agreed that imposing additional ethical restrictions is not necessary.

**Performance:** As at 31 December 2019 the Synagogue held an investment portfolio of £1,028m (2018: £905k). The annual income before expenses for 2019 was £26,868. The value of the fund increased by 13.6% (benchmark: 14.4%). As a result of worldwide market disruption following the start of the Coronavirus pandemic, all classes of asset values fell sharply. During the 3 months to 31 March 2020 the portfolio value



decreased by 13.7% (benchmark: 12.7%) but has subsequently started to recover and at 30 April 2020 the portfolio value stood at £919k, a year-to-date decrease of £109k - 10.6% (no benchmark data available for 4 month period). The investment managers will continue to review the Synagogue's circumstances to ensure their mandate remains suitable. They have reiterated that they are comfortable maintaining a medium-term investment horizon of up to 5 years and that the balanced investment objective suits our circumstances.



# Our Governance

## Governance & Purpose

Alyth was incorporated as a Charitable Company Limited by Guarantee on 27 November 2019; with company number 12336110 and registered with the Charity Commission under the charity number 1186738.

At the date of reporting the transfer agreement, transferring the assets from the existing entity to the new entity had not been affected. Therefore, the accounts herein refer to the old charity being the charity registered with the Charity Commission under charity number 247081.

Alyth is a member of the Movement for Reform Judaism in the United Kingdom. Reform Judaism is an informed and questioning, compassionate and egalitarian expression of a unique faith and culture, rooted in the tradition of the Torah, yet in dialogue with modernity. Alyth is committed to the advancement of the tradition of Reform Judaism and to playing its part in the development of the Progressive teaching of Judaism as a constantly evolving tradition. Alyth exists in order to sustain and develop a Jewish centre for its members based on Progressive Jewish values and ethics, to meet its members' religious and communal needs, and to contribute to the wider Jewish and non-Jewish communities.

The purpose of Alyth as set out in the Constitution and in the Articles of Association, is the development of Reform Judaism in the spheres of public worship and religious education, cultural, social and charitable activities.

In April 2015 a framework was adopted to achieve a shared set of values that underpin all that we do. Alyth is a vibrant and welcoming community where we embrace prayer and learning. We practice a shared Judaism, that is innovative and inclusive and that engages with the world around us.

## Structure & Management

At the Annual General Meeting in May 2018, the membership approved a resolution that Alyth move from being an unincorporated charity, to becoming a Charitable Company Limited by Guarantee (incorporated). The Articles of Association in which the legal requirements of the charitable company are set out, were adopted by the membership at the AGM in May 2019.

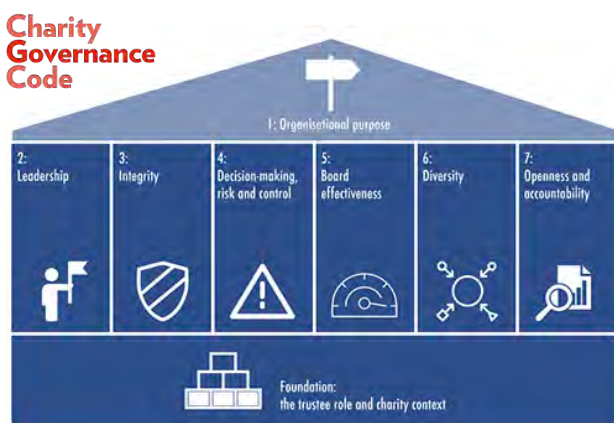
The governance structure and operational framework that guide the activities of the charity are set out in the Rules. A Board Manual is being developed that will supplement the Rules and will have in it terms of reference for the Trustee Board, Advisory and Nominations Groups, job descriptions for all roles, and the policies and procedures of the synagogue,

The Trustee Board was constituted at the first meeting of the Directors of the newly incorporated charity in January 2020. Alyth will move from a two-tier governance structure consisting of an elected Council and an Executive Committee, the Trustees, to a single-tier Trustee Board. The transition will see no change to the obligations of the Trustees who are responsible for implementing the policies and direction of the Synagogue.

The Trustees have strategic oversight of the management of the operations and the financial affairs of the Synagogue and delegate much of the day to day management of the Synagogue to the Professional Team, who are accountable to the Trustee Board. The Trustees are aware of their obligation to act in the best interests of the Synagogue and in line with the recommended guidelines of the Charity Commission.

At the reporting date, 31 December 2019, the Executive Committee, were the trustees of the Synagogue. In shaping the objectives for the year and planning the activities, the Trustees have considered the Charity Commission's guidance 'public benefit: running a charity (PB2)'. They aim to engage with the outside world, both within the Jewish people and in the wider community. To this end the Synagogue engages in a wide range of activities with other faith groups and community-based organisations. These activities enable the congregation to develop relationships with and gain a better understanding of the local and wider community and to help those less fortunate than ourselves.

The most senior employee is the Principal Rabbi who leads the Professional Team and whose remuneration is set with reference to the Rabbinic Scales provided by Reform Judaism. Salaries in general are reviewed with reference to RPI and changes in average earnings.



## Looking ahead: 2020 through 2021

**As we transition to a new normal in which the world, communities and individuals will be living with new challenges and the impact of a worldwide pandemic; our priorities and focus must be adapted. As a community we have responded to this unprecedented time and reset our priorities to ensure that we continue to support our staff and members, deliver outstanding programmes and activities, and strengthen our communal bonds.**

- As the world and the UK went into lockdown, the Trustees and Professional Team worked swiftly and effectively to move Alyth from a physical to a virtual community, offering all services and programming online and providing love and support for our members, in these extraordinary times.
- Looking ahead we know that we will be a virtual community well into the last quarter of 2020. The challenges around social distancing and vulnerable people have longer term implications. Going into 2021 our aim is to be able to welcome people back into the building and provide quality online offerings alongside regular face to face learning, services and activities.
- The first stage of the new governance structure was implemented in early 2020. The Trustees have worked collaboratively with the Professionals to steer the community through the crisis. Moving forward, the focus will shift to establishing the Advisory Groups and Nominations Group and developing future leadership for Alyth.
- The need to repair and renew our spiritual home remains. Reimagining how our building will be used and continuing to strive to achieve the vision of a beautiful, welcoming, multi-use space, is a priority for the community in 2020-21.
- Our Clergy Team is growing. We welcomed Cantor Tamara Wolfson as best we could in the midst of the Covid-19 pandemic. We look forward to Student Rabbi Elliot Karstadt joining the team before the High Holy Days and to meeting him and Cantor Tamara in person in the near future. The foundations are in place for our Clergy Team to grow and thrive in 2020-21.
- The financial impact of Covid-19 will be with us for a long time. Close attention to our financial position is a priority for the Trustees and senior professionals who will continue to closely monitor the impact of the crisis on our income, expenditure and fundraising.

## GOING CONCERN CONSIDERATIONS AS A RESULT OF THE EXCEPTIONAL CIRCUMSTANCES THAT HAVE ARISEN DUE TO COVID-19.

At the reporting date the charity held £930k in cash and had net current assets of £969k. Of current assets, the amount not restricted was £768k. The projected expenditure for the next 12 months is £1,023m, which means current reserves would cover 4 months if no income were available. This is in line with the charities reserve policy of 4 months expenditure.

The Trustees have reviewed the circumstances of the charity. Whilst there is uncertainty due to the implications of the Covid-19 pandemic and the subsequent lockdown of the United Kingdom, the Trustees consider that resources continue to be available to fund the activities of the charity for the foreseeable future.

Due to the measures implemented by the government the charity expects to see a reduction in income and is therefore monitoring income received from members' voluntary contributions. To mitigate this risk the charity has taken advantage of fiscal schemes available to it from the Government. The charity has reviewed initial projections and now aims to minimise any deficit that may arise due to Covid-19 over the next financial year by prioritising collection of membership contributions and systematically reviewing and reducing of non-essential expenditure.

The feasibility of the project to carry out the repair and refurbishment of the building is being considered by the Trustees who understand that the Covid-19 crisis has put pressure on capital projects and the ability to raise the requisite funds needed to support such projects.

Accordingly the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

A new incorporated company, registration no. 12336110, has been registered with the Charity Commission with the purpose of taking over the assets, liabilities and activities of the charity. As at the date of approval of these financial statements, the transfer has not yet been effected.

## FUNDRAISING COMPLIANCE STATEMENT:

The charity is committed to best practice, as outlined by the Fundraising Regulator, in its approach to fundraising and closely monitors its activities in this area, ensuring that vulnerable members are protected. No professional fundraisers are used by the charity. Fundraising for the new building continued in 2019 engaging with the community through events and meetings.

## TRUSTEE RESPONSIBILITY STATEMENT:

The Trustees 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).

The law applicable to charities in England & Wales 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 of the charity for that period. In preparing these financial statements, the Trustees are required

- to select suitable accounting policies and then apply them consistently;
- to observe the methods and principles in the Charities SORP;
- to make judgments and accounting estimates that are reasonable and prudent;
- to 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 proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

**This report was approved by the Trustees on 7 May 2020 and signed on their behalf by:**



Russell Baum (Chair)

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## NORTH WESTERN REFORM SYNAGOGUE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH WESTERN REFORM SYNAGOGUE

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#### Opinion

We have audited the financial statements of North Western Reform Synagogue (the 'charity') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes, including a summary of 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).

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 2019 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH WESTERN REFORM  
SYNAGOGUE (CONTINUED)**

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**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 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 the 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.

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## NORTH WESTERN REFORM SYNAGOGUE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH WESTERN REFORM SYNAGOGUE (CONTINUED)

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#### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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](http://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 (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  
Registered Auditors  
Regina House  
124 Finchley Road  
London  
NW3 5JS

22 May 2020

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 2019**

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Donations and legacies	3	320,973	1,324,363	1,645,336	2,006,091
Charitable activities	4	39,784	577,705	617,489	515,657
Investments	5	4,183	27,537	31,720	25,808
<b>Total income</b>		<b>364,940</b>	<b>1,929,605</b>	<b>2,294,545</b>	<b>2,547,556</b>
<b>Expenditure on:</b>					
Raising funds	6	273,387	9,264	282,651	24,838
Charitable activities		148,738	1,953,721	2,102,459	2,040,282
<b>Total expenditure</b>		<b>422,125</b>	<b>1,962,985</b>	<b>2,385,110</b>	<b>2,065,120</b>
Net gain / (losses) on investments	12	14,262	87,191	101,453	(57,626)
<b>Net (expenditure)/income</b>		<b>(42,923)</b>	<b>53,811</b>	<b>10,888</b>	<b>424,810</b>
Transfers between funds	16	200	(200)	-	-
<b>Net movement in funds</b>		<b>(42,723)</b>	<b>53,611</b>	<b>10,888</b>	<b>424,810</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,965,230	606,548	3,571,778	3,146,968
Net movement in funds		(42,723)	53,611	10,888	424,810
<b>Total funds carried forward</b>		<b>2,922,507</b>	<b>660,159</b>	<b>3,582,666</b>	<b>3,571,778</b>

The notes on pages 20 to 38 form part of these financial statements.



**NORTH WESTERN REFORM SYNAGOGUE**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	11	1,652,685	1,701,246
Investments	12	1,028,888	905,208
		2,681,573	2,606,454
<b>Current assets</b>			
Debtors	13	201,317	140,857
Cash at bank and in hand		929,625	1,014,498
		1,130,942	1,155,355
Creditors: amounts falling due within one year	14	(161,867)	(114,549)
<b>Net current assets</b>		969,075	1,040,806
<b>Total assets less current liabilities</b>		3,650,648	3,647,260
Provisions for liabilities	15	(67,982)	(75,482)
<b>Net assets excluding pension asset</b>		3,582,666	3,571,778
<b>Total net assets</b>		3,582,666	3,571,778
<b>Charity funds</b>			
Restricted funds	16	2,922,507	2,965,230
Unrestricted funds	16	660,159	606,548
<b>Total funds</b>		3,582,666	3,571,778

The financial statements were approved and authorised for issue by the Trustees on 07 May 2020 and signed on their behalf by:

**R Baum**

**M Simon**

The notes on pages 20 to 38 form part of these financial statements.

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**NORTH WESTERN REFORM SYNAGOGUE**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(75,322)	500,061
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(9,551)	(5,048)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	(9,551)	(5,048)
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	(84,873)	495,013
Cash and cash equivalents at the beginning of the year	1,014,498	519,485
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<u>929,625</u>	<u>1,014,498</u>

The notes on pages 20 to 38 form part of these financial statements

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## NORTH WESTERN REFORM SYNAGOGUE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. General information

North Western Reform Synagogue is a charity registered in England and Wales. The address of its registered office and place of business is Alyth Gardens, London, NW11 7EN. The charity's purpose is the pursuance of Reform Judaism in the spheres of public worship, and religious, educational, cultural, social and charitable activities.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

North Western Reform Synagogue meets the definition of a public benefit entity under FRS 102.

##### 2.2 Going concern

At the reporting date the charity held £930k in cash and had net current assets of £969k. Of current assets, the amount not restricted was £768k. The projected expenditure for the next 12 months is £1,023m, which means current reserves would cover 4 months if no income were available. This is in line with the charity's reserve policy of 4 months expenditure.

The Trustees have reviewed the circumstances of the charity. Whilst there is uncertainty due to the implications of the Covid-19 pandemic and the subsequent lockdown of the United Kingdom, the Trustees consider that resources continue to be available to fund the activities of the charity for the foreseeable future.

Due to the measures implemented by the government the charity expects to see a reduction in income and is therefore monitoring income received from members' voluntary contributions. To mitigate this risk the charity has taken advantage of fiscal schemes available to it from the Government. The charity has reviewed initial projections and now aims to minimise any deficit that may arise due to Covid-19 over the next financial year by prioritising collection of membership contributions and systematically reviewing and reducing of non-essential expenditure.

The feasibility of the project to carry out the repair and refurbishment of the building is being considered by the Trustees who understand that the Covid-19 crisis has put pressure on capital projects and the ability to raise the requisite funds needed to support such projects.

Accordingly the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

A new incorporated company, registration number 12336110, has been registered with the Charity Commission with the purpose of taking over the assets, liabilities and activities of the charity. As at the date of approval of these financial statements the transfer had not yet been effected.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.3 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.

**2.4 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.5 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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

**2.6 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

**2.7 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 Statement of Financial Position date, unless the 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 presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**2.8 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**2. Accounting policies (continued)**

**2.9 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.

**2.10 Provisions**

Provisions are recognised when the Charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

**2.11 Liabilities**

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.

**2.12 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.

**2.13 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.

**2.14 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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2. Accounting policies (continued)

**2.15 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 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 2019

#### 3. Income from donations and legacies

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Subscriptions	-	664,204	664,204	622,268
Donations and Legacies	265,144	357,713	622,857	991,734
Income tax recoverable	55,829	195,105	250,934	288,582
Burial Society fees	-	107,341	107,341	103,507
	<u>320,973</u>	<u>1,324,363</u>	<u>1,645,336</u>	<u>2,006,091</u>
<b>Total 2018</b>	<u>667,070</u>	<u>1,339,021</u>	<u>2,006,091</u>	

#### 4. Income from charitable activities

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Services and festivals	39,784	15,159	54,943	57,549
Education	-	58,145	58,145	32,883
Youth	-	47,294	47,294	48,065
Kindergarten	-	418,629	418,629	336,106
Lettings	-	28,791	28,791	29,485
Other income	-	9,687	9,687	11,569
<b>Total 2019</b>	<u>39,784</u>	<u>577,705</u>	<u>617,489</u>	<u>515,657</u>
<b>Total 2018</b>	<u>45,838</u>	<u>469,819</u>	<u>515,657</u>	

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**5. Investment income**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Dividends receivable	4,183	27,308	31,491	25,415
Interest receivable	-	229	229	393
	<u>4,183</u>	<u>27,537</u>	<u>31,720</u>	<u>25,808</u>
Total 2018	<u>3,696</u>	<u>22,112</u>	<u>25,808</u>	

**6. Costs of raising funds**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fundraising costs	273,387	-	273,387	15,814
Investment management costs	-	9,264	9,264	9,024
	<u>273,387</u>	<u>9,264</u>	<u>282,651</u>	<u>24,838</u>
Total 2018	<u>15,814</u>	<u>9,024</u>	<u>24,838</u>	

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Services and festivals	482,485	247,133	729,618	795,300
Education department expenses	201,829	82,001	283,830	224,636
Youth department expenses	43,580	18,786	62,366	64,764
Kindergarten	380,760	80,869	461,629	377,308
Reform Movement Affiliation	125,260	-	125,260	122,723
Board of Deputies	1,980	-	1,980	10,875
Burial Scheme	112,406	-	112,406	112,902
Music department expenses	22,520	28,851	51,371	60,084
Welfare expenses	117,595	14,447	132,042	153,557
Other charitable expenses	60,523	81,434	141,957	118,133
	<u>1,548,938</u>	<u>553,521</u>	<u>2,102,459</u>	<u>2,040,282</u>
Total 2018	<u>1,483,438</u>	<u>556,844</u>	<u>2,040,282</u>	

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2019 £	Total funds 2018 £
Staff costs including NI and pension contributions	260,728	261,123
Printing, postage and stationery	38,722	32,971
Cleaning materials and services	8,195	10,304
Lighting, heating and rates	32,575	28,591
Repairs and maintenance	41,202	40,090
Insurances	19,360	19,450
Security	3,221	4,199
Computer and IT costs	29,842	28,335
Telephone	5,564	4,443
Depreciation - Fixtures and fittings	3,743	3,954
Amortisation - land and buildings	50,869	50,869
Depreciation - Computer system	3,500	3,278
Bank charges	5,849	5,933
Equipment repairs	2,811	118
Audit	8,850	7,200
Legal and professional fees	2,775	(209)
Accountancy fees	18,940	20,278
Recruitment costs	348	750
Other items	16,427	35,167
	553,521	556,844
	553,521	556,844

**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



**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. Analysis of expenditure by activities (continued)**

Functions	Usage
Recruitment costs	Time
Other expenses	Floor area
Wages and salaries	Time
National insurance	Time
Pension costs	Time

**8. Auditors' remuneration**

	2019 £	2018 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	8,850	8,000
Fees payable to the Charity's auditor in respect of:		
Accountancy and payroll preparation	18,940	21,118
Legal and professional fees	600	600
	<u>          </u>	<u>          </u>

**9. Staff costs**

	2019 £	2018 £
Wages and salaries	876,170	891,845
Social security costs	68,439	79,298
Contribution to defined contribution pension schemes	42,664	46,108
	<u>          </u>	<u>          </u>
	<u>987,273</u>	<u>1,017,251</u>

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

	2019 No.	2018 No.
Clergy and religious services	3	4
Kindergarten	20	17
Music	1	2
Welfare	1	1
Administration	7	7
Education	4	3
	<u>          </u>	<u>          </u>
	<u>36</u>	<u>34</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**9. Staff costs (continued)**

The number of higher paid employees in the band £100,001 - £150,000 was 1 (2018: 2)

Key management includes the core management team. The total amount payable to key management for employee services was £333,070 (2018: £413,710).

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	2,402,902	93,006	29,745	2,525,653
Additions	-	2,224	7,327	9,551
At 31 December 2019	<u>2,402,902</u>	<u>95,230</u>	<u>37,072</u>	<u>2,535,204</u>
<b>Depreciation</b>				
At 1 January 2019	717,407	82,517	24,483	824,407
Charge for the year	50,869	3,743	3,500	58,112
At 31 December 2019	<u>768,276</u>	<u>86,260</u>	<u>27,983</u>	<u>882,519</u>
<b>Net book value</b>				
At 31 December 2019	<u><u>1,634,626</u></u>	<u><u>8,970</u></u>	<u><u>9,089</u></u>	<u><u>1,652,685</u></u>
At 31 December 2018	<u><u>1,685,495</u></u>	<u><u>10,489</u></u>	<u><u>5,262</u></u>	<u><u>1,701,246</u></u>

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**12. Fixed asset investments**

	Listed investments £	Cash surplus £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	841,455	63,753	905,208
Additions	61,917	(61,917)	-
Realised losses	(5,922)	-	(5,922)
Disposals	(38,106)	38,106	-
Unrealised gains	107,375	-	107,375
Dividends reinvested	-	31,491	31,491
Investment management charges	-	(9,264)	(9,264)
<b>At 31 December 2019</b>	<u>966,719</u>	<u>62,169</u>	<u>1,028,888</u>
<b>Net book value</b>			
<b>At 31 December 2019</b>	<u>966,719</u>	<u>62,169</u>	<u>1,028,888</u>
<i>At 31 December 2018</i>	<u>841,455</u>	<u>63,753</u>	<u>905,208</u>

**13. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Prepayments and accrued income	173,954	110,902
Tax recoverable	27,363	29,955
	<u>201,317</u>	<u>140,857</u>

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**NORTH WESTERN REFORM SYNAGOGUE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**14. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	87,818	33,767
Other creditors	27,168	29,310
Accruals and deferred income	46,881	51,472
	<u>161,867</u>	<u>114,549</u>

In the year, £8,000 (2018: £28,070) of Kindergarten and education income was deferred to future periods for which they relate.

**15. Provisions**

	Pension liability £
At 1 January 2019	75,482
Paid in the year	(7,500)
	<u>67,982</u>

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Designated funds</b>						
Access fund	4,340	-	(760)	-	-	3,580
Community Welfare Fund	43,531	10,116	-	(27,135)	-	26,512
Kerch Funds	20,521	1,808	-	-	-	22,329
Alyth Ramblers	400	48,892	(49,608)	-	-	(316)
Outreach Fund	11,435	-	(449)	(4,800)	-	6,186
Education Fund	57,570	-	-	(9,647)	-	47,923
Alyth Youth Singers	3,978	-	(480)	-	-	3,498
Alyth Academy of Performing Arts	2,996	4,928	(5,626)	-	-	2,298
Social Justice Fund	21,023	12,875	(10,340)	-	-	23,558
Refugee Project	9,789	18,338	(15,565)	-	-	12,562
Social Action Fund	10,432	98	(82)	-	-	10,448
Alyth Childrens Centre	4,215	4,217	(4,217)	-	-	4,215
Contingency Fund	400,000	-	-	-	-	400,000
Welfare Assistance	-	10,000	(7,736)	-	-	2,264
Summer Madness	(2,698)	14,377	(17,174)	4,895	-	(600)
Spring Days	790	100	(638)	(252)	-	-
Summer Days	-	1,665	(1,927)	262	-	-
Burial Fund	9,903	1,550	2	-	-	11,455
Fun Camps	-	4,855	(997)	(3,858)	-	-
Other designated funds	10,038	2,250	(144)	-	-	12,144
	<u>608,263</u>	<u>136,069</u>	<u>(115,741)</u>	<u>(40,535)</u>	<u>-</u>	<u>588,056</u>
<b>General funds</b>						
General Funds - all funds	(1,715)	1,793,536	(1,847,244)	40,335	87,191	72,103
<b>Total Unrestricted funds</b>	<u>606,548</u>	<u>1,929,605</u>	<u>(1,962,985)</u>	<u>(200)</u>	<u>87,191</u>	<u>660,159</u>



## NORTH WESTERN REFORM SYNAGOGUE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 16. Statement of funds (continued)

##### Statement of funds - current year (continued)

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Restricted funds</b>						
Gladys Gebbie Fund	82,789	2,247	(27,424)	-	7,660	65,272
Jubilee Fund	71,355	1,936	-	-	6,602	79,893
NWRS Charitable Fund	5,875	6,005	-	-	-	11,880
Alyth Youth Fund	60,801	-	-	-	-	60,801
Rabbis Charitable Fund	108,671	13,536	-	-	-	122,207
High Holy Day Appeal	-	39,784	(39,784)	-	-	-
Alyth Football Clubs	-	-	(200)	200	-	-
Freehold land & buildings	1,685,495	-	(50,869)	-	-	1,634,626
Tekiah	942,701	301,432	(303,848)	-	-	940,285
Other restricted funds	7,543	-	-	-	-	7,543
	<u>2,965,230</u>	<u>364,940</u>	<u>(422,125)</u>	<u>200</u>	<u>14,262</u>	<u>2,922,507</u>
<b>Total of funds</b>	<u><u>3,571,778</u></u>	<u><u>2,294,545</u></u>	<u><u>(2,385,110)</u></u>	<u><u>-</u></u>	<u><u>101,453</u></u>	<u><u>3,582,666</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 2019**

**17. Summary of funds**

**Summary of funds - current year**

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Designated funds	608,263	136,069	(115,741)	(40,535)	-	588,056
General funds	(1,715)	1,793,536	(1,847,244)	40,335	87,191	72,103
Restricted funds	2,965,230	364,940	(422,125)	200	14,262	2,922,507
	<u>3,571,778</u>	<u>2,294,545</u>	<u>(2,385,110)</u>	<u>-</u>	<u>101,453</u>	<u>3,582,666</u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	1,634,626	18,059	1,652,685
Fixed asset investments	429,795	599,093	1,028,888
Current assets	858,086	272,856	1,130,942
Creditors due within one year	-	(161,867)	(161,867)
Provisions for liabilities and charges	-	(67,982)	(67,982)
<b>Total</b>	<u>2,922,507</u>	<u>660,159</u>	<u>3,582,666</u>

**NORTH WESTERN REFORM SYNAGOGUE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	10,888	424,810
<b>Adjustments for:</b>		
Depreciation charges	58,112	58,101
(Gains) / losses on investments	(92,189)	66,650
Dividends, interests and rents from investments	(31,491)	(25,405)
(Increase) / decrease in debtors	(60,460)	4,998
Increase / (decrease) in creditors	47,318	(22,174)
(Decrease) in provisions	(7,500)	(6,919)
<b>Net cash provided by/(used in) operating activities</b>	<b>(75,322)</b>	<b>500,061</b>

**20. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	929,625	1,014,498
<b>Total cash and cash equivalents</b>	<b>929,625</b>	<b>1,014,498</b>

**21. Analysis of movement in cash**

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	1,014,498	(84,873)	929,625
	<u>1,014,498</u>	<u>(84,873)</u>	<u>929,625</u>

**22. 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 £42,664 (2018 - £48,810).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**23. Related party transactions**

There were no transactions with related parties in the year (2018: £nil)