

Hatch End Masorti Synagogue

Report and Accounts for the Year Ended 31st December 2020

Company Registration No. (England and Wales) 03899916

Charity Registration No. 1080951

Company information

Trustees

S Glass
E Lucas
N Mendoza
G Ross
D Ross - appointed 5 July 2020
D Honey - resigned 10 February 2020

Secretary

E Lucas - resigned 9 November 2020
N Mendoza - appointed 9 November 2020

Company Number

03899916

Charity Number

1080951

Registered Office

2 Field End Road
Pinner
HA5 2QL

Report of the Trustees

The Trustees present their annual report and the financial statements of the Company for the year ended 31 December 2020.

Background

Hatch End Masorti Synagogue is a company limited by guarantee and does not have a share capital. It is registered as a charity (number 1080951).

Objectives and policy

The Company's objectives are:

- (1) The advancement of the Jewish faith in accordance with Masorti principles, in particular by the establishment and maintenance of a religious congregation for the advancement and promotion of the practice and teaching of Judaism in Hatch End and its surrounding area;
- (2) The advancement of education in the history, customs, language, tenets and culture of Judaism.

The Company is a constituent member of Masorti Judaism (charity number 801846) and is part of Mosaic Jewish Community (charity number 1157109).

Organisation

The Trustees are responsible for all policy decisions.

The day to day operations are delegated to an elected council and various functional committees.

Financial position and reserves policy

The operating surplus is:

	2020	2019
	£	£
Overall surplus during the period	9,857	13,299
Overall funds	116,450	91,583

The trustees have established a policy whereby the reserves should be a minimum of:
See Note 10 in the Financial Statements.

67,500	40,500
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The free reserves are:

	2020	2019
	£	£
Free reserves	84,401	72,756

The Trustees note that the free reserves exceed the reserves policy figure by:
The Trustees will continue to monitor this.

16,901	17,169
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Report of the Trustees (continued)

Trustees and their interests

The Trustees of the Company during the period were as follows:

S Glass
E Lucas
N Mendoza
G Ross
D Ross - appointed 5 July 2020
D Honey - resigned 10 February 2020

This report was approved by the Trustees on 2nd June 2021.

A handwritten signature in black ink, appearing to read 'G Ross', written in a cursive style.

G Ross
Trustee

Statement of financial activities for the year ended 31 December 2020 (incorporating the income and expenditure account)

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and expenditure					
Incoming resources					
Fees		37,844		37,844	39,271
Donations and sponsorship received		386		386	530
High Holy Days contributions		0		0	800
Fundraising and other activities – net		2,624		2,624	0
Income tax recoverable		7,720		7,720	7,410
Bank interest receivable		1,844		1,844	219
Total income and endowments		50,418	0	50,418	48,230
Expenditure on charitable activities and other expenditure					
Direct charitable donations		11,549		11,549	12,225
Management and administration	4	27,224	1,788	29,012	22,706
Total expenditure		38,773	1,788	40,561	34,931
Net income/(expenditure) and movement in funds	8	11,645	-1,788	9,857	13,299
Fund balance at 1 January		72,756	33,837	106,593	78,284
Fund balance at 31 December		84,401	32,049	116,450	91,583

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

Balance sheet as at 31 December 2020

	Notes	2020	2019
		£	£
Fixed assets:			
Tangible assets			
- Torah scrolls and accessories		3,086	4,874
- fixtures, fittings and equipment		0	0
		<u>3,086</u>	<u>4,874</u>
Current assets:			
Debtors	6	6,466	7,209
Cash at bank and in hand		121,049	108,724
		<u>127,515</u>	<u>115,933</u>
Creditors:			
amounts falling due within one year	7	14,151	14,215
		<u></u>	<u></u>
Net current assets		113,364	101,719
Total assets less current liabilities		<u>116,450</u>	<u>106,593</u>
Reserves:			
Unrestricted funds	9 and 10	84,401	72,756
Restricted funds	11	32,049	33,837
Total funds		<u>116,450</u>	<u>106,593</u>

The Trustees are satisfied that the Company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

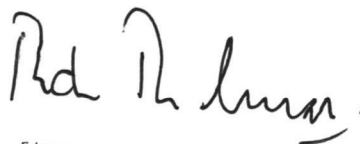
The Trustees are responsible for:

- (a) ensuring that the Company keeps accounting records and the preparation of accounts which comply with the requirements of the Companies Act; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company at 31 December 2020 and of its result for the period then ended in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The accounts were approved by the Trustees on 02 June 2021



G Ross
Trustee



E Lucas
Trustee

Notes to the financial statements at 31 December 2020

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently, is set out below.

Accounting convention

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 note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice (Accounting for Charities) (SORP 2015) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Turnover

The turnover of the Company is derived from its normal activities.

Resources expended

All expenditure is included on an accruals basis.

The Charity is not registered for VAT and all the expenditure is shown inclusive of irrecoverable input VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Torah scrolls and accessories	- 20 years
Fixtures, fittings and equipment	- between 2 and 5 years

2 The operating surplus is stated after:

	2020 £	2019 £
Depreciation of tangible assets	1,788	2,079
Donations received	386	530

3 Staff costs

There are no staff costs as this expense is included within the Mosaic charge.

Notes to the financial statements at 31 December 2020 (continued)

4 Expenditure on charitable activities and other expenditure

	2020	2019
	£	£
Direct charitable expenditure		
Joint Jewish Burial Society	5,225	5,413
Masorti Judaism	5,829	6,317
Board of Deputies	495	495
	<u>11,549</u>	<u>12,225</u>
Management and administration		
Premises costs	620	4,133
Cheder expenses	1,014	487
Rabbi costs and expenses	13,335	7,210
Visiting minister costs	0	145
Mosaic Community (including insurance, repairs, telephone)	8,517	4,426
Office expenses attributable to HEMS	181	117
Depreciation	1,788	2,079
Event catering and food costs (net)	1,212	3,540
Video services - High Holy Days and Chanukah	2,150	0
Bank charges	66	72
General expenses	129	497
	<u>29,012</u>	<u>22,706</u>
Total expenditure	<u>40,561</u>	<u>34,931</u>

5 Tangible fixed assets

	Torah scrolls & accessories	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January	35,772	6,406	42,178
Additions	0	0	0
At 31 December	<u>35,772</u>	<u>6,406</u>	<u>42,178</u>
Depreciation			
At 1 January	30,898	6,406	37,304
Charge for the period	1,788	0	1,788
At 31 December	<u>32,686</u>	<u>6,406</u>	<u>39,092</u>
Net Book Value			
At 31 December	<u>3,086</u>	<u>0</u>	<u>3,086</u>
At 1 January	<u>4,874</u>	<u>0</u>	<u>4,874</u>

Notes to the financial statements at 31 December 2020 (continued)

6 Debtors

	2020 £	2019 £
Income tax recoverable on Gift Aid donations	5,660	6,257
Prepayments and accrued income	152	353
Other debtors	654	599
	<u>6,466</u>	<u>7,209</u>

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	2,173	3,807
Deferred Income	4,238	2,167
Other creditors	7,740	8,241
	<u>14,151</u>	<u>14,215</u>

8 Reconciliation of movements in total funds

	Unrestricted funds £	Restricted funds £	Total Funds £
Balance at 1 January	72,756	33,837	106,593
Movement in the period	<u>11,645</u>	<u>-1,788</u>	<u>9,857</u>
Balance at 31 December	<u>84,401</u>	<u>32,049</u>	<u>116,450</u>

9 Free reserves

	2020 £	2019 £
Unrestricted funds at 31 December	84,401	72,756
Free reserves	<u>84,401</u>	<u>72,756</u>

10 Reserves Policy

The Trustees have reviewed the reserves policy in line with their obligations and duties under charity law / regulations.

The purpose of the HEMS reserves policy is to ensure that:

- The risks of unforeseen circumstances will be addressed
- Planned commitments are covered
- HEMS can pay for day to day operational costs

Notes to the financial statements at 31 December 2020 (continued)

10.1 Risks of unforeseen circumstances

The Trustees have identified a number of risks that the reserves must address. For each risk, the Trustees have assessed an annual contingency which is a realistic estimate of what HEMS would have to spend should that risk actually occur.

		Annual Contingency £
Relocation	When the community moves to a new location, there is a loss of income if some members decide not to move with the community	4,000
Bereavement	There is a loss of income because of the demise of members (including Covid-19)	2,500
Hamakom	Increased costs should families with children join and children attend Hamakom	3,000
Mosaic	Increased costs continuing as the ratio of members between the constituent communities vary	4,000
New building	Increased costs arising from unforeseen building running costs and creation of sinking fund	10,000
Covid-19	Professional services (tech, cleaning, equipment)	6,000
Risk of debt	Support for members in financial hardship	5,000
Fee parity	Absorbing possible fee increases in achieving parity with MR and ML	4,000
Contingency	Other unforeseen circumstances and general contingency	1,500
		<u>40,000</u>

10.2 Planned commitments

20th Anniv	The Trustees have set aside a contingency for unforeseen costs	2,000
New rabbi	Search for new rabbi, visiting minister costs etc - November 2021 to May 2022 - 2 months thereof	3,000
Student rabbi	Expenses anticipated from September 2021 placement - 4 months thereof	1,500
Marketing	Increased staff costs in Mosaic Jewish Community	3,000
Development	Contribution to Mosaic funding for cross-community development rabbi	5,000
		<u>14,500</u>

10.3 Day to day operational costs

HEMS major costs will be:

Contributions to Mosaic, Jewish Joint Burial Society and Masorti Judaism.
Contribution to the Rabbi's salary and expenses

Covering the major costs for 3 to 6 months - total £13,000

10.4 Summary

10.1	Risk of unforeseen circumstances	40,000
10.2	Planned commitments	14,500
10.3	Day to day operational costs	13,000
	The cost of the reserves policy for one year	<u>67,500</u>
	Ratio of free reserves over reserves policy	1.25

11 Restricted funds

	2020 £	2019 £
Development fund	30,375	30,375
Asher Hyman fund	865	2,058
David Davis fund	809	1,404
	<u>32,049</u>	<u>33,837</u>

The Development Fund will be used for most building set up costs. Trustees will approach members to sponsor some of the new equipment itemized below but for now these commitments are shown in full:

Kitchen setup costs - tableware, cooking wares, cutlery etc	4,000
Commissioning costs - e.g. ark, bimah, silverware etc	15,000
	<u>19,000</u>

12 Capital

The Company is a company limited by guarantee not having a share capital.
The liability of members is limited to £20 each in the event of a winding up of the Company.



Section A

Independent Examiner's Report

**Report to the
trustees/directors/
members of**

Charity Name
Hatch End Masorti Synagogue

**On accounts for the year
ended**

31 December 2020

Charity no.:

1080951

Company no.:

03899916

Set out on pages

1 to 10

(Remember to include the page numbers of additional sheets)

I report to the charity trustees on my examination of the accounts of the Company for the year ended **31 / 12/ 2020**.

**Responsibilities and
basis of report**

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

**Independent
examiner's statement**

[The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [] if not applicable.

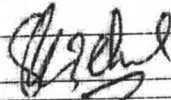
I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:



Date: 20 July 2021

Name:

Sassoon Ezekiel

Relevant professional qualification(s) or body (if any):

Bsc Econ, ACMA, CGMA Chartered Institute of Management Accountants

Address:

23 Barrow Point Avenue, Pinner, Middlesex, HAs 3HD

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

None