

MOSAIC REFORM SYNAGOGUE
(A company limited by guarantee)

Report and Financial Statements

Year ending 31st December 2021

Charity number 1159303

Company number 08825271

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

INDEX

	Page No
Introduction	2
Directors and Trustees	3
Legal and Administrative Information	4
Narrative Information	5 - 8
Auditors' Report	9 - 11
Financial Statements	12 - 23

INTRODUCTION

The Council of Mosaic Reform Synagogue (MRS) is pleased to present its annual report and financial statements for the year ended 31st December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Laws of the Synagogue, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, FRS 102, (effective 1st January 2020).

The Report is structured as follows:

- legal and administrative information;
- narrative information about the objects of MRS, how MRS is organised to fulfil these objects, and information about activities during the year. The narrative information represents the Directors' Report for the purpose of complying with company law;
- the financial statements, including auditors' report.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

DIRECTORS AND TRUSTEES

The directors of the company (the Synagogue) are its trustees for the purpose of charity law. The trustees collectively serve as members of the Council, which is the controlling body of the Synagogue. During the year the following members served on Council.

Chairman:	A H Grant	
Vice Chairman:	S A Noble	To 21st July 2021
Honorary Secretary	Mrs C Y Chadwick	
Honorary Treasurer	Mrs A H Banks	To 21st July 2021
President	D Safir	To 21st July 2021
Joint President		
Members of Council	Mrs V Bacon	From 21st July 2021
	L S Chadwick	
	Mrs G Goldsmith	From 21st July 2021
	J Feldman	From 21st July 2021
	J Highfield	To 21st July 2021
	D Leigh Ellis	From 21st July 2021
	D Martin	To 21st July 2021
	M A Newman	To 21st July 2021
	M K Reik	To 21st July 2021
	S Roos	
	Dr D Wyman	To 21st July 2021

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

LEGAL AND ADMINISTRATIVE INFORMATION

Full name and address of charity

MOSAIC REFORM SYNAGOGUE
2 FIELD END ROAD
PINNER
MIDDLESEX
HA5 2QL

Governing document and constitution

The "Articles of Association" were adopted at the Synagogue's Annual General Meeting in May 2018.

Charitable Status

The Synagogue registered with the Charity Commission and its charity registration number is 1159303. Council confirms that during the year the Synagogue has complied with the requirements of the Charity Commission and other bodies such as HM Revenue & Customs, in order to maintain its charitable status.

Names of Trustees

The management of the Synagogue's affairs is vested in the Council, which is elected by the membership in General Meeting. Council members serving during the year under review are listed on page 2. The Synagogue's chief asset, being the freehold premises at 39 Bessborough Road, was sold during the year. The new principal asset is the ground floor of purpose-built new premises at 1a Halsbury Close, Stanmore Hill, Stanmore, held on a 999 year lease granted in May 2021. As the Synagogue is now a company, limited by guarantee, there is no longer any requirement for the property to be held by custodian trustees.

Names and addresses of bankers, auditors and other advisors.

Bankers:	Santander 62 Hagley Road Birmingham	HSBC 1 South Place London
Auditors & Accountants:	The HHC Partnership Ltd Suite 2 9 West End Kemsing Sevenoaks Kent TN15 6PX	
Solicitors for property transaction:	Brecher LLP 4th Floor 64 North Row London W1K 7DA	

The Synagogue has not appointed any other advisors, although members of the congregation do from time to time advise the Council on professional matters within their own areas of expertise. In particular, Michael Harris continued to act as Honorary Solicitor.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

NARRATIVE INFORMATION

The Laws of the Synagogue state its objects to be "the advancement of the Jewish religion in particular by the provision of a Synagogue, the advancement of education and of charitable activities and the support of such charitable institutions as the Council shall from time to time determine."

The Synagogue pursues these objects by:

- conducting Divine Service on Sabbaths and Holy Days, in the Synagogue building and in other locations decided by Council;
- running a religion school, as well as classes to prepare for bar/bat mitzvah and adult education classes;
- organising clubs and social activities intended for relevant age groups in the membership;
- holding fund raising events and making charitable appeals to support its own activities, and in order to support other charities, both Jewish and secular, locally, within the UK and internationally;
- being a constituent member of Reform Judaism (UK) (see note 5 to the financial statements);
- affiliating to the Jewish Joint Burial Society, in order to secure appropriate burial rights for its members and affiliating to the Board of Deputies of British Jews and other communal bodies and organisations;
- In 2014 the Synagogue became a founder member of Mosaic Jewish Community (MJC), an umbrella organisation encompassing three independent Synagogues, coming together to facilitate Social Educational and Cultural activities for their communal benefit.

The Synagogue's activities are in the main managed through committees responsible for specific areas. Reports on those activities during 2021 will be presented within the "Annual General Meeting Report - 2021" available from the Synagogue office.

There are a number of individuals who receive remuneration to enable the Synagogue to achieve the objects described above. Some are employed directly by the Synagogue and others by MJC which provides their services to its three constituent synagogues.

Remunerated individuals include the Rabbi, the Care worker, the Synagogue Administrator and other office staff, the Director of Music, caretaking staff, and Religion School teachers.

However, the majority of the Synagogue's activities are organised and facilitated by volunteers without whom the Synagogue could not adequately function.

MAJOR DEVELOPMENTS IN 2021

2021 was dominated by the ongoing effect of the covid pandemic on both the community and many individuals. In addition, the community lacked a permanent home after the building in Bessborough Road was sold and while Stanmore was being built.

The community continued to enjoy services and social and cultural activities over the internet via Zoom, and it was only towards the end of 2021 that occasional in person services and events resumed.

MAJOR DEVELOPMENTS IN 2021 - continued

The site is on Stanmore Hill, Stanmore, where a new mixed communal and residential development is currently being constructed. MRS contracted to acquire a 999 year lease on the whole of the ground floor. Simultaneously MRS also contracted to sell the freehold of Bessborough Road. Both sale and acquisition contracts were conditionally exchanged, dependent upon planning permission for both sites being granted by London Borough of Harrow. Permission was granted in January 2020 subject to extensive section 106 requirements being made by the Local Authority, which were only fully satisfied by May 2021.

Religious services, together with educational and communal activities were successfully migrated to an electronic conferencing environment using Zoom making them widely accessible across the Community. A number of members have been provided with electronic equipment and support to enable them to participate remotely.

Thanks to massive efforts throughout the Community, sourcing, learning and implementing new technology, paid staff and volunteers have been able to continue providing almost all of our services to members through challenging times, for which we remain grateful. And, even as in person services and activities have gradually resumed, Zoom represents a significant feature for less mobile members to participate, and will remain an ongoing facility to be taken advantage of for the foreseeable future. Indeed, the new building in Stanmore is being fitted out with very latest technology to facilitate making all that we do available on line.

REVIEW OF THE FINANCIAL DEVELOPMENT OF THE SYNAGOGUE'S GENERAL FUNDS

The Synagogue's main source of income continues to be membership subscriptions together with associated tax reclaims. Membership numbers decreased from 339 family units to 320 at December 2021, representing a decrease in the number of adults from 497 to 467.

Other significant sources of income include donations received.

The total income into the Synagogue General Funds in 2021 was £4,782,534, compared to £295,710 in 2020. Total expenditure from General Funds in 2021 was £246,529 compared to £269,989 in 2021. This gives a surplus on General Funds in 2021 of £4,536,005. In addition, £9,650 was transferred from High Holy Day appeal fund, being the part of the appeal designated for the Synagogue. This gives a total surplus on the General Funds in 2021 of £4,545,655.

However, there are significant distorting factors in 2021 which must be taken into account in comparing the years. These are explained below. Reference is also made in Note 4 to the accounts on page 17, and specifically to the fact that the vast majority of these funds are invested in the Synagogue's fixed assets.

- The total income into the General Funds is almost entirely due to the surplus arising on the disposal of the freehold property on Bessborough Road, Harrow. This amounted to £4,530,010. It has been transferred into a designated Development Fund held within General Funds. This Development Fund has been used to purchase a 999 year lease on new premises, comprising the whole of the ground floor of 1a Halsbury Close, Stanmore Hill.
- Premises costs remained low while we were without a permanent home, following the sale of Bessborough Road. These costs during 2021 represent occasional temporary hire of premises for ad hoc in person services and events.
- MRS is a constituent member of Reform Judaism (UK). (RJ(UK)) and as such pays a levy based on our subscription income. To facilitate our relocation plans RJ(UK) kindly agreed to accept significantly reduced payments. The shortfall in payments is recognised under long term liabilities within our accounts, and will be addressed once relocation has been completed.

Excluding the designated Development Fund, there was an overall surplus on General Funds in 2021 of £15,645. In 2020 there was an overall surplus on General Funds of £25,271.

REVIEW OF THE FINANCIAL DEVELOPMENT OF THE SYNAGOGUE'S RESTRICTED FUNDS

The Statement of Recommended Practice "Accounting and Reporting by Charities" requires the separate accounting of funds that are "earmarked either by the donor or by the terms of an appeal for particular projects".

MRS collects funds for projects and activities within the Synagogue itself, or for payment on to specified recipients. These funds came from a number of sources, notably the voluntary contributions for the Board of Deputies, the High Holy Day Appeal and donations from individuals towards a Building fund to assist with expenditure connected to the project to relocate to Stanmore.

In 2021 the High Holy Day Appeal raised about £9,000. Of this, £6,500 was transferred to the General Funds of the Synagogue, and the remainder was gifted to a range of small charities after the end of the calendar year.

RESPONSIBILITY OF THE COUNCIL FOR ASSESSMENT AND MITIGATION OF MAJOR RISKS

It is the responsibility of Council to identify and assess the major risks to which the Synagogue is exposed, and to endeavour to mitigate them. The council undertakes on-going assessments in order to identify and minimise such risks.

A particular risk that has concerned the Trustees during the past two years relates to costs and liabilities connected with the proposed relocation to Stanmore. The financial risk arising from this has been significantly mitigated through the support received from Reform Judaism (UK) as detailed elsewhere in the Report. A significant source of risk that arose in the period under review and which continues even now is the Covid-19 pandemic. The Trustees of the Synagogue have responded to that in accordance with Government Guidelines by closing the Synagogue building and providing religious services and a range of cultural events using Zoom video conferencing.

Subscription income has not diminished since the onset of the pandemic. In addition, volunteering to assist with services and online events has increased, as has volunteering to give support to the elderly and vulnerable.

RESERVES POLICY

The Council's policy is to maintain a level of reserves to enable the Synagogue to meet two months of operating expenditure out of its general funds.

In recent years, following the decision to try to relocate to more suitable premises, reserves have also been established in connection with this. At the year-end total unrestricted reserves held for these purposes amounted to approximately £4,530,000 having been enhanced by the surplus arising on disposal of Bessborough Road. These reserves are invested in the cost of the premises owned by the Synagogue

The policy is kept under regular review

RESPONSIBILITY OF THE COUNCIL FOR FINANCIAL STATEMENTS

By law applicable to charities in England and Wales, the Council of the Synagogue is responsible for the preparation of the financial statements for each financial year which shall give a true and fair view of the state of affairs of the Synagogue at the end of that year and of the incoming resources and application of resources of the Synagogue for that year.

In preparing these financial statements the Council is required to follow best practice and to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Synagogue will continue its operations.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Synagogue and which enable it to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011, the applicable Charities (Accounts and Reports Regulations) and the terms of its Laws. It is also responsible for safeguarding the Synagogue's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is also responsible for the maintenance and integrity of the charity and financial information included on the Synagogue's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements.

This Narrative Information was approved by the Council on 24th October 2022 and signed on its behalf by:

A H GRANT
Director



Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MOSAIC REFORM SYNAGOGUE

Opinion

We have audited the financial statements of Mosaic Reform Synagogue (the 'charitable company') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, 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

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

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

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

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 the other information, we are required to report that fact.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MOSAIC REFORM SYNAGOGUE -
CONTINUED

Other information - continued

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MOSAIC REFORM SYNAGOGUE -
CONTINUED

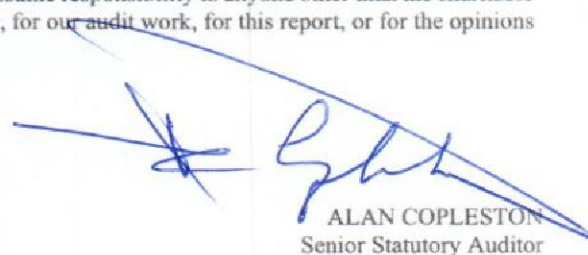
Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



ALAN COPLESTON
Senior Statutory Auditor

9 West End
Kemsing
Sevenoaks
Kent
TN15 6PX

For and on behalf of
THE HHC PARTNERSHIP LTD
Chartered Accountants and
Statutory Auditors

24th October 2022

The HHC Partnership Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	General Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Incoming Resources from General Funds					
Voluntary Income					
Subscriptions receivable		195,034	-	195,034	203,597
Income tax reclaims on subscriptions		30,995	-	30,995	37,934
Grants and donations	3	10,293	21,625	31,918	39,899
Income tax reclaims on donations	3	3,217	-	3,217	5,070
Activities for Generating Funds	5	4,000	-	4,000	20,625
Investment Income	5	11	-	11	85
Incoming from Charitable Activities	5	3,177	-	3,177	3,534
Furlough money received		5,797	-	5,797	15,544
Designated Development Fund	4	4,530,010	-	4,530,010	-
Total Incoming Resources		4,782,534	21,625	4,804,159	326,288
Resources Expended					
Charitable Activities:					
Reform Judaism (UK) assessment	6	36,000	-	36,000	33,678
Jewish Joint Burial society		23,832	-	23,832	25,525
Premises costs	6	16,213	-	16,213	42,492
Religious services and pastoral costs	7	98,585	-	98,585	103,098
Communal expenses	8	1,943	-	1,943	5,299
Education	9	12,454	-	12,454	12,104
General expenses	10	6,092	47	6,139	2,319
Grants and donations	3	-	7,000	16,650	28,148
MJC Costs		48,200	-	48,200	39,996
		243,319	7,047	260,016	292,659
Governance costs:					
Audit Fee		3,210	-	3,210	3,800
		246,529	7,047	263,226	296,459
Net Movements in Funds before transfers		4,536,005	14,578	4,540,933	29,829
Transfers between funds		9,650	(9,650)	-	-
		4,545,655	4,928	4,550,583	29,829
Balances at 1 January 2021		60,082	223,528	283,610	253,781
Balances at 31 December 2021		£4,605,737	£228,456	£4,834,193	£283,610

The notes on pages 15 to 23 form an integral part of these financial statements

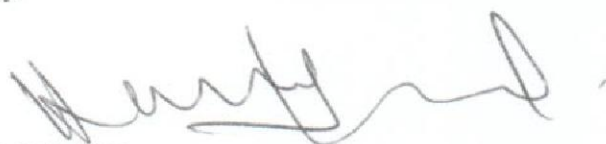
Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

BALANCE SHEET
AT 31ST DECEMBER 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible Assets	15		4,596,396		258,068
			<u>4,596,396</u>		<u>258,068</u>
CURRENT ASSETS					
Stock		200		200	
Debtors	16	108,500		17,687	
Cash at bank and in hand		199,592		140,413	
		<u>308,292</u>		<u>158,300</u>	
CREDITORS					
Amounts falling due within one year	17	(15,405)		(77,668)	
NET CURRENT ASSETS			292,887		80,632
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,889,283</u>		<u>338,700</u>
Amounts falling due in more than one year	17		(55,090)		(55,090)
NET ASSETS			<u>£4,834,193</u>		<u>£283,610</u>
FUNDS					
Unrestricted	4		4,605,737		60,082
Restricted	3		228,456		223,528
NET RESERVES			<u>£4,834,193</u>		<u>£283,610</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS102 section 1A – small companies.

Approved by the Board of Directors and authorised for issue on 24th October 2022 and signed on their behalf by:



A H GRANT
Director

MOSAIC REFORM SYNAGOGUE
Company registration number 08825271 (England and Wales)

The notes on pages 15 to 23 form an integral part of these financial statements.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 £	2020 £
Net cash provided by operating activities:	216,006	(5,217)
Cash flows from investing activities:		
Bank interest	11	85
Purchase of tangible fixed assets	(4,596,701)	-
Proceeds of sale of assets	4,439,863	-
Net cash (absorbed)/provided by investing activities	(156,827)	85
Change in cash and cash equivalents in the year	59,179	(5,132)
Cash and cash equivalents brought forward	140,413	145,545
Cash and cash equivalents carried forward	£199,592	£140,413

Reconciliation of Net Movement in Funds to Net Cash Flows from Operating Activities

Net movement in funds:	4,550,583	29,829
Adjustments for:		
Depreciation charges	950	783
Surplus on disposal of fixed assets	(4,182,440)	-
Interest income shown in investing activities	(11)	(85)
Decrease/(increase) in debtors	(90,813)	(3,529)
(Decrease)/increase in creditors	(62,263)	(32,215)
Net cash provided/(absorbed) by operating activities	£216,006	£(5,217)

The notes on pages 15 to 23 form an integral part of these financial statements.

1. **General Information**

Mosaic Reform Synagogue is a private company limited by guarantee and incorporated in England and Wales. The registered office is at 2 Field End Road, Pinner, Middlesex, HA5 2QL.

2. **Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated:

a) **Statement of Compliance**

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. These set out the recommended treatment of material transactions and balances in the accounts of charities. In particular, they make a distinction between funds received and balances held for the general purposes of the charity ("Unrestricted funds") and those received or held for purposes specified by the donor ("Restricted funds").

The Synagogue constitutes a public benefit entity as defined by FRS 102.

b) **Basis of Preparation**

The accounts have been prepared under the historic cost convention and generally in accordance with the accruals concept, unless noted below.

c) **Presentation Currency**

The accounts have been prepared and are presented in pounds sterling, which is the operational currency of the Synagogue. This is consistent with previous years.

d) **Funds Structure**

The Synagogue has Restricted and Unrestricted funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the constitution of the Synagogue. Details of these are given in Note 2 to the accounts.

Unrestricted funds comprise those funds which the Council are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where Council, at its discretion, has created funds for specific purposes.

e) **Revenue Recognition**

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

Subscription income is credited on a receipts basis, with the exception of subscriptions received in respect of future periods, which are accounted for on an accruals basis. Tax reclaims are accounted for on an accruals basis, based on the period in which the relevant subscription income was accounted for.

Donations and legacies are recognised when the synagogue has been informed both of the amount and settlement date. In the event that conditions apply before the Synagogue will become entitled to the funds, the income is deferred until the conditions are fully met.

All other income is credited on a receipts basis except where it relates to future events.

2. Accounting Policies - continued

f) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is included in the expenditure heading to which it relates to.

Resources expended are included within the appropriate heading to which they relate. Direct costs relating to activities in furtherance of the Synagogue's charitable objects are included as costs of those activities. General office administration costs are shown separately as such and are not apportioned across costs of activities in any way. Governance costs comprise all costs involving the public accountability of the synagogue and its compliance with regulation and good practice.

Donations and grants are payments made to third parties in the furtherance of the charitable objects of the Synagogue. Council makes donations and grants from funds held and available for such purposes. They are accounted for when the payment falls due to be made.

g) Tangible Fixed Assets

Tangible fixed assets are held at historical cost less accumulated depreciation and any impairment losses. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life;

Computers	- reducing balance at 33%
Scrolls and Siddurim	- reducing balance at 20%
Furniture, fittings and equipment	- reducing balance at 25%
Land and Buildings	- not depreciated

h) Stocks

Stocks of goods and publications held for resale are valued at the lower of cost and net realisable value.

i) Taxation

The synagogue is a registered charity and therefore not liable for income or corporation taxes on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

j) Pensions

The Synagogue does not operate a pension scheme for its employees. It contributes to the personal pension arrangements of certain employees and the costs are charged to general funds as they arise.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

3. **Movement on Restricted Funds**

	Balance at January 1 2021 £	Income £	Transfers In/(Out) £	Outgoing £	Balance at December 31 2021 £
High Holy Day appeals	359	14,200	(9,650)	-	4,909
Board of Deputies contributions	6,184	3,915	-	(7,000)	3,099
Building fund	181,096	-	-	-	181,096
Other funds	35,889	3,510	-	(47)	39,352
Total Restricted Funds	£223,528	21,625	(9,650)	(7,047)	£228,456

Income and outgoing amounts include both donations and the income tax reclaimable on those donations.

Analysis of Net Assets Between Funds

	Fixed Assets £	Net Current Assets £	Deferred Creditors £	Total £
Restricted funds	195,655	32,801	-	228,456
Unrestricted funds	4,400,741	260,086	(55,090)	4,605,737
	4,596,396	292,887	(55,090)	£4,834,193

Simon Levi Fund

During 2008 the Simon Levi Foundation was formally wound up and the balance of the fund consolidated into the finances of the Synagogue. It is held within unrestricted funds as part of the overall funds of the Synagogue and the original objectives of the trust will continue to be observed. It is only being used for these purposes and not for any of the general running of the Synagogue.

Movements on the fund during the year were as follows:

	2021 £	2020 £
Balance at 1 January	35,251	36,251
Grants paid to Rabbinic trainees	-	-
Grant to Leo Baeck College	-	(1,000)
Balance at 31 December	£35,251	£35,251

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

4. General Funds

	2021 £	2020 £
Designated Development Fund	4,530,010	-
General Fund	75,727	60,082
	<u>£4,605,737</u>	<u>£60,082</u>

The General Funds are those funds which are used for the general running of the Synagogue. The surplus arising on the disposal of the freehold property in Bessborough Road, Harrow, was transferred to a designated Development Fund. This Development Fund was used to purchase a new building for the Synagogue to carry on its activities. Further details of this are given in Note 15 on page 22.

5. Incoming Resources

Activities for Generating Funds:

	2021 £	2020 £
<u>Activities for Generating Funds</u>		
Hall hire revenue	<u>4,000</u>	<u>20,625</u>
<u>Investment Income:</u>		
Interest Receivable	<u>11</u>	<u>85</u>
<u>Charitable Activities:</u>		
Fees and donations for Religion School and related activities	3,115	3,210
Surplus/(deficit) from Judaica shop	62	184
Kiddushim charges	-	140
	<u>3,177</u>	<u>3,534</u>
Total Other Income	<u><u>£7,188</u></u>	<u><u>£24,244</u></u>

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

6. **Reform Judaism (UK) Assessment**

Mosaic Reform Synagogue (MRS) incurs a levy payable to Reform Judaism (UK) (RJ(UK)). This is calculated by RJ(UK) based on the Synagogue's net subscription income.

However, for a number of years RJ (UK) has accepted lower amounts than the full levy. By agreement with RJ(UK) any such arrears in payment of the levy are normally to be regarded as long-term liabilities and treated as such in the Balance Sheet.

During 2018 an agreement was reached with RJ(UK) to enable it to assist MRS to maintain sufficient cash flow to meet the significant professional fee expenditure required in connection with the proposed relocation to Stanmore. Under this arrangement RJ(UK) agreed to regard newly arising shortfalls in the levy payments as not payable for as long as the outcome of relocation negotiations remained uncertain. Once the outcome of the negotiations was known those shortfalls were also recognised in the accounts as long-term liabilities.

7. **Premises Costs**

	2021 £	2020 £
Caretaking and housekeeping	13,042	27,706
Utilities	(912)	10,029
Repairs and maintenance	2,013	4,757
Hall hire	2,070	-
Total Premises costs	£16,213	£42,492

8. **Religious Services and Pastoral Costs**

Personnel	98,585	103,098
Total Services costs	£98,585	£103,098

9. **Communal Expenses**

Kiddushim costs	75	1,072
Other communal events and expenses	1,868	4,227
Total Communal expenses	£1,943	£5,299

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

10. Education

	2021 £	2020 £
Personnel	12,454	11,580
Other education expenses	-	524
Total Education expenses	£12,454	£12,104

11. General Expenses

Office running costs	1,915	317
Bank charges	841	853
Insurance premiums	-	366
Assets disposed	2,433	-
Depreciation:		
General Fund	856	666
Restricted Fund	46	57
Other expenses	-	-
Total Office and Administration expenses	£6,092	£2,259

12. Related Party Transactions

The Synagogue had no transaction with any related party in the year.

In particular, no member of Council received any remuneration or expenses during the year in respect of their services in this capacity.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

13. **Total Staff Costs**

	2021 £	2020 £
During the year staff costs were as follows:		
Salaries and wages and fees	104,165	120,008
Employers' NIC	4,543	5,335
Pension contributions	7,577	7,662
	<u>£116,285</u>	<u>£133,005</u>
During the year the Synagogue employed the following number of full-time equivalent staff	<u>4</u>	<u>4</u>
Number of staff whose total emoluments fell within the band £60,001 - £70,000	<u>1</u>	<u>1</u>
Number of staff to whom retirement benefits are accruing under money purchase schemes	<u>1</u>	<u>1</u>
Total contributions in the period for the provision of money purchase benefits	<u>£6,786</u>	<u>£6,238</u>

14. **Resources Expended**

The following costs are included within the resources expended for the activities and running of the Synagogue:

Amounts payable to the auditor for auditing services	<u>£3,210</u>	<u>£3,800</u>
------------------------------------------------------	---------------	---------------

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

15. Tangible Fixed Assets

	Long Leasehold Land & Buildings	Scrolls, Organs & Books	Furniture, Fixtures & Equipment	Total
	£	£	£	£
COST				
Balance at 1st January 2021	254,990	12,828	83,486	351,304
Additions in the year	4,593,435	-	3,266	4,596,701
Disposals	(254,990)	-	(79,595)	(334,585)
Balance at 31st December 2021	<u>4,593,435</u>	<u>12,828</u>	<u>7,157</u>	<u>4,613,420</u>
DEPRECIATION				
Balance at 1st January 2021	-	12,276	80,960	93,236
Charge for the year	-	110	840	950
Eliminated on disposals	-	-	(77,162)	(77,162)
Balance at 31st December 2021	<u>-</u>	<u>12,386</u>	<u>4,638</u>	<u>17,024</u>
NET BOOK VALUE				
At 31st December 2021	<u>4,593,435</u>	<u>442</u>	<u>2,519</u>	<u>£4,596,396</u>
At 31st December 2020	<u>254,990</u>	<u>552</u>	<u>2,526</u>	<u>£258,068</u>

In May 2021 the freehold building at Bessborough Road, Harrow was sold and the surplus arising on disposal was credited to a Designated Development Fund.

Contemporaneously contracts were exchanged to acquire a 999-year lease of the whole of the ground floor of 1a Halsbury Close, Stanmore Hill. At the time of writing work on this is virtually complete, with practical completion and consequent formal possession of the property due to occur very soon.

Bearing in mind the length of the lease and the estimated life of the building, Council considers it inappropriate to charge depreciation on the building.

Mosaic Reform Synagogue
Annual Report and Accounts – 31 December 2021
NOTES TO THE FINANCIAL STATEMENTS - continued

16. **Debtors**

	2021 £	2020 £
Income Tax refunds	8,500	15,772
Other debtors and prepayments	100,000	1,915
	<u>£108,500</u>	<u>£17,687</u>

All amounts included as debtors are due within one year.

17. **Creditors**

Amounts falling due within one year

Subscriptions received in advance	8,424	28,908
Trade creditors and accrued expenses	6,981	48,760
	<u>£15,405</u>	<u>£77,668</u>

Amounts falling due in more than one year

Reform Judaism (UK)	55,090	55,090
Building Loan (from members)	-	-
	<u>£55,090</u>	<u>£55,090</u>

18. **Significant Judgements and Estimates**

Preparation of accounts may require management and staff to make significant judgements and estimates. Council confirms that no significant judgments or estimates were required in preparing these accounts.

19. **Going Concern**

Council consider that there are no material uncertainties about the Synagogue's ability to continue as a going concern. In looking at this they have considered a period of at least a further 12 months into the future.