
**SPANISH AND PORTUGUESE JEWS' SYNAGOGUE
(OPERATING AS 'THE S&P SEPHARDI COMMUNITY')**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2019

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SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 OCTOBER 2019**

Trustees	David Ereira (reappointed 10 April 2019) Caroline Jackson-Levy Dr Alan Mendoza Kristine Musikant Rony Sabah Mark Salem Richard Sassoon Anthony Tricot Sabah Zubaida (reappointed 10 April 2019)
Charity registered number	212517
Principal operating office	119-121 Brent Street London NW4 2DX
Custodian Trustee	London Sephardi Trust (company number: 0051526)
Charity Trustee	S&P Sephardi Trustee Ltd (company number: 11156384)
Senior staff	Senior Rabbi, Rabbi Joseph Dweck Chief Executive, David Arden
Independent auditor	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Bankers	Natwest Bank 1 Princes Street London EC2R 8PA

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2019

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 November 2018 to 31 October 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The Objects of the Charities are for the public benefit to support such work of the Congregation as shall be exclusively charitable under the laws of England and Wales from time to time as the Trustees shall think fit. Without prejudice to the generality of the foregoing, such exclusively charitable work includes:

1. the advancement of the orthodox Jewish religion as practised by the Spanish & Portuguese Jewish community and other Sephardi communities;
2. the advancement of education of the orthodox Jewish religion and of the history, culture and traditions of the Spanish & Portuguese Jewish community and other Sephardi communities; and
3. to advance education on the history of the Spanish & Portuguese Jewish community, in particular but not exclusively by the curation, preservation and cataloguing of historic documents, records, artefacts and synagogue buildings for public display and for the purposes of research.

b. Strategies for achieving objectives

- Developing a growth strategy for new independent and affiliate Sephardi communities by offering a 'plug and play', administrative infrastructure to join the S&P Sephardi Community. The concept of the plug and play offering is a combination of back office function including accounting, marketing and programming and being part of a new, competitive burial scheme. The idea being the model can be scaled up or down for new potential communities.
- Having an active and growing Sunday school (Cheder) using modern, state of the art equipment.
- Working in partnership with a newly established Jewish Day Care Nursery in Ashworth Road to encourage young family's to both move into the local area and to become full members of the S&P Sephardi Community. This is being implemented by having a partnership arrangement or referral scheme by which any new members referred directly by the Nursery will be entitled to an initial discount on Synagogue membership and vice versa. This has already proved successful with at least one member family joining as a result of as referral.
- Creating the visionary future of Bevis Marks Synagogue through a major Heritage Lottery Fund (HLF) project to build an educational centre, exhibiting key heritage and cultural artefacts to provide a centre of learning about the history of the Spanish and Portuguese and wider Jewish community. Due for completion in 2021/22.
- Encouraging the future of the community (Youth) through the Youth Leadership Board and bringing experienced Youth Leaders into the community to drive an exciting programme for the specific youth age groups.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019**

- Development of a sustainable, profitable Kashrut provision under the auspices of the SKA (Sephardi Kashrut Authority) enabling the entire Jewish community to benefit from a wide range of high quality affordable kosher food.
- Maintaining a credible, reputable Beth Din (Sephardi Beth Din) under the guidance and supervision of the Senior Rabbi, Rabbi Joseph Dweck.
- Providing regular lectures, shiyurim and education to the community under and through the inspirational leadership of the Ecclesiastical staff.
- Providing a regular programme for elderly members by holding a weekly 'Friendship Club' which has, on average, well in excess of 40 members of the community.

c. Activities for achieving objectives

The main activities of the charity are the operation of synagogues, Jewish educational and cultural programming, the operation of a Beth Din, Sunday school and burial services.

d. Main activities undertaken to further the charity's purposes for the public benefit

Bevis Marks was the first synagogue built in London following the historic re-settlement of the Jews in the late 1600s. It is Grade I listed, the oldest synagogue still in use in the UK and has retained its distinctive, centuries-old patterns of worship. As the Cathedral Synagogue of the Community, it is our spiritual home and historic heartland, linking directly back to the Community's earliest days in this country and our arrival here as a place of sanctuary. Its important architecture, internationally significant collection, rich heritage of song and ritual and location at the heart of London's historic Jewish quarter, make it the ideal focus for the telling of the Sephardi story.

A key driver to meet this objective is the development of Bevis Marks through the Heritage Lottery Fund ("HLF") Project. With the help of the Heritage Lottery Fund, A Vision for the Future will place this story at the heart of a new visitor and educational cultural offer and create the spaces, displays and interpretation needed to deliver it. As a result, visitor numbers are expected to more than double, new audiences will be engaged, the local community will become involved, new partnerships will develop and volunteering expand. All of this will contribute to a sustainable future for Bevis Marks. This will, in addition, place Bevis Marks as the centre of knowledge for both the community but also members of the public, school children and other planned visits to gain an in-depth understanding of the community, its culture and heritage.

The charities in connection with the Spanish and Portuguese Jews' Synagogue's benefit the individual members of the Congregation together with the wider Sephardi Community and there is interaction between the statutory sector and the voluntary and community sector in the UK. The activities continue to be charitable and all fall within the areas of education and welfare.

The Board has considered this matter and have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 and hence concluded:

1. That the aims of the charities continue to be charitable.
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need.
3. That the benefits are for the public and are not unreasonably restricted in any way and certainly not by ability to pay.
4. That there is no detriment or harm arising from the aims or activities.

Achievements and performance

Success can be measured in a number of ways but the two key KPIs are (1) membership growth and (2) building

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2019

a sustainable (financially stable) future operating model.

a. Review of activities

Over the course of the last financial year, in excess of 80 events were held across the S&P Sephardi Community, this included dinners for young professionals, lectures, educational symposiums, interfaith network events, fundraising dinners and local community events.

Membership numbers

1084 members

Change (net decline) in membership numbers from previous year (1092) are due to 27 new members (excluding newlyweds), 20 deaths and 15 resignations.

Internal S&P Events

This last year was a very busy one for the S&P community. In total, in excess of 250 local events were held across the entire community, including over 60 in Lauderdale Road, 70 in Bevis Marks and 28 in Wembley. We also held nearly 20 events specifically for the youth as part of our newly established youth programme. A further 65 were S&P wide including the popular Hebrew Ulpan classes held weekly in Ashworth Road.

The following activities have contributed to the advancement of the orthodox Jewish religion;

External Events

Our external activities have contributed to the advancement of education of the orthodox Jewish religion and of the history, culture and traditions of the Spanish & Portuguese Jewish community and other Sephardi communities; and the advancement of the orthodox Jewish religion;
Below is a summary of events (non-exhaustive) attended by Rabbi Dweck over the past financial year in pursuance of this:

Educational/University J. Socs/Schools

15/11/18	Kings College J. Soc Lunch & Learn - Class
23-24/11/18	UJS Training Summit J.Soc Leaders - Shabbat Lectures
29/11/18	Oxford Uni J.Soc Lunch & Learn - Class
09/05/19	Etgar Israel Competition - Keynote Address

United Synagogues/independent Synagogues associated events

27/11/18	UJIA Manchester Leadership Group - Lecture to Leaders
06/12/18	Pinner United Synagogue Lecture to Community
26/12/18	Limmud Festival - 4 x Shiurim, full day in Birmingham
15/01/19	Stanmore United Synagogue - Lecture to Community
18-19/01/19	Golders Green US - Shabbat Scholar in Residence - Lectures
20/01/19	Mizrachi UK Young Adults Minyan Dinner - Keynote Address
14/02/19	Stanmore US - Lecture to Community
25/02/19	LSJS Lecture Series - Making Shabbat Meaningful
06/03/19	Kinloss US - Rabbi Lawrence interviewing Rabbi Dweck
10/03/19	Holland Park 90th Anniversary Ceremony
18/03/19	LSJS Lecture Series - Making Purim Meaningful
02-04/04/19	Sephardi Assoc of America - Prof Halbertal Event in New York
15/04/19	LSJS Lecture Series - Making Pesach More Meaningful

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2019

19/05/19	Mizrachi UK Day of Inspiration - Keynote Address
20/05/19	LSJS Lecture Series - Was Rabbi Akiva the Greatest Rabbi Ever
02/06/19	JW3 Syrian Song of Torah - Pre Shavuot Event
15/06/19	Shomrei Hadath Seuda Shlishit Programme - Lecture
17/06/19	LSJS Summer Class - How Do We Cope with Stress
30/06/19	Central Square Minyan - Lecture to Community
01/07/19	LSJS Lecture - Does Torah Have a Clear Political Ideology?
11/07/19	Southgate United Synagogue - Siyyum, Keynote Speaker
22/07/19	JW3 Songs of Loss and Longing - Kinnot Event
22/09/19	Forum for Jewish Leadership - Keynote Address of Yps
23/09/19	JW3 The Sounds of Awe - Pre Rosh Hashanah Event
07/10/19	LSJS Pre Yom Kippur Shiur

Interfaith Events

12/11/18	Joseph Interfaith Foundation Presentation to HRH Prince Charles
03/12/18	CCJ* Commemoration 80th Anniversary Kristallnacht & Kindertransport
21-23/01/19	Senior Faith Leadership Programme - Encounters between individuals serving faith communities
11-13/03/19	Senior Faith Leadership Programme - Second of three away seminars
02/05/19	21-4-21 Reception - RJD a Judge - Awards to 21 top interfaith lay leaders/Church/Muslims/Jews
13/06/19	CCJ Student Leader Graduation Reception - Keynote Address and Awarding Certificates
18-20/06/19	Senior Faith Leadership Programme - Third of three away seminars

* CCJ (Council of Christians and Jews) RJD Deputy President

In addition there were several external events held, of note was the 50th Anniversary of the Baghdad Hangings – a memorial to those that had lost their lives in Baghdad. Several hundred people attended a candle lit memorial service held in Bevis Marks Synagogue which was hosted by Rabbi Dweck and had several dignitaries in attendance including the Chief Rabbi of Great Britain, the Israeli Ambassador and Bishop Graham Kings.

We also supported and cooperated fully with the work being done by the Independent Inquiry into Child Sexual Abuse (IICSA).

b. Investment policy and performance

The Investment assets of the charity are held to derive an income for the charity to enable the charity to enhance its work and to ensure that the assets are held for the future benefit of the charity and can grow through capital appreciation with a low to medium risk tolerance. A target for capital appreciation over the long term would be mid-single digits percentage increase.

There are currently £4,261,103 assets held as investments (2017/18 £4,674,789) these decreased by £413,686 through the net withdrawal of capital of £171,044, an upward revaluation of £112,358 and the sale of an investment property for £355,000.

Table of percentage income yields on investment

	<u>Target %</u>	<u>Actual %</u>
Investment in Common Investment Fund*	Low to mid-single digit	2.5%
Investment property	Low to mid-single digit	4.0%

* Based on the valuation at year end

Please see Note 12 of the financial statements.

The trustees are permitted to invest in stocks, funds, shares, REITs, and physical properties anywhere in the world that the trustees sees fit in the furtherance of the Funds objectives.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2019

Financial review

Total reserves at year end amounted to £10,986,385 (2017/18 £10,861,396). The year end to 31 October 2019 showed an increase in unrestricted reserves of £79,357 to £7,510,751 (2017/18 £7,431,394) this is mainly due to investment gains due to investment gains and the revaluation on other Tangible Assets partially offset by net expenditure. Restricted Funds increased by £ 30,065 to £605,560 (2017/18 £575,495), this increase is mainly due to net income from the Sephardi Endowment Fund and the Heritage Lottery Fund. The Endowment fund has increased by £15,567 to £2,870,074 (2017/18 £2,854,507) due to the receipt of two legacies during the year, there has been no change to the community's heritage assets during the year.

The total income was £2,755,906 (2017/18 £2,419,377) an increase of £336,529, this is mainly due to an increase in the appeals due to fundraising for the Bevis Marks project that was then given as a grant to the Bevis Marks Synagogue Heritage Foundation; there was also an increase in other donations, and Hebra income.

The total expenditure was £2,903,722 (2017/18 £2,802,275) an increase of £101,447 mainly due to the grant made to the Bevis Marks Synagogue Heritage Foundation.

Reserves Policy

It is the policy of the Charity to maintain the free reserves, that is unrestricted (and undesignated) funds less tangible fixed assets, of the Charity at a level which equates to between three and six months unrestricted (and undesignated) expenditure. The reserves policy has been reviewed in light of the current COVID-19 pandemic and is being kept at the current level of between three and six months, it is also being kept under review given the risks and uncertainties resulting from the pandemic. Currently this splits as below:-

	2019 £	2018 £
General unrestricted funds	5,718,246	5,770,768
Designated funds	<u>1,792,505</u>	<u>1,660,626</u>
Total	7,510,751	7,431,394
Less tangible assets	(7,152,096)	(6,957,941)
Add back mortgage	1,647,586	1,695,591
Funds available	2,006,241	2,169,044

This would provide sufficient funds to cover management, administration and running costs for the Charity.

The free reserves of the Charity are currently above this level but are largely tied up within longer term investments and heritage assets which are not currently realisable. The charity is implementing a plan which includes a cost cutting programme and increasing fundraising that will have cash surpluses in future years so that there will be sufficient free cash for three months expenditure without relying on investments or heritage assets.

a. Going concern

After making appropriate enquiries and in light of the COVID-19 pandemic, the trustees have a reasonable expectation from the forecasts that have been prepared that the charity has adequate resources to continue in operational existence for the foreseeable future, including drawing down on investments should the need arise. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Principal funding

The charity is principally funded by donations made by members of the community through the annual suggested donation (Finta) and through other fundraising. The charity also received grants for security and for the Bevis Marks Heritage Lottery Fund. It is also partially funded through its charitable activities such as burial fees and investment income.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019**

Significant developments

COVID-19

COVID-19 spread rapidly across the world and was declared a pandemic by the World Health Organisation. The impact of COVID-19 and measures to prevent its spread are affecting our community in a number of ways. We have closed our synagogues and offices consistent with government guidelines. This has impacted the community in several ways: there are no services, weddings and the facilities are not being used for events. As the offices are closed, all personnel are now working from home. In response to this change the community has used its resources to ensure that those in the community that could be vulnerable have been assisted where possible by providing support from the Rabbis, the office staff and a team of volunteers to keep in contact with the community by telephone. All the events are now taking place online and there has been a large uptake. Sadly we have also seen an increase in the number of funerals that have taken place and this will have an impact on the membership numbers.

The investments in the Common Investment Fund (CIF) have fallen in value since year end as a result of the pandemic. Given the size of CIF, changes in market prices and the related change in unrealised gains and losses of the equity securities held within the CIF could produce significant volatility in our movement in funds. As at the end of May the size of the fund had decreased from £2,666,103 to £2,258,368 this is due to a disposal of £(75,000) and due to a downward revaluation of £(232,735), this revaluation represents a reduction of 9.0%.

The impact on finances (other than the CIF) have been minimally affected at the date of signing by COVID-19, we expect donations and grants to drop and income from events and kiddushim to go down, however the costs to run the activities of the community have dropped as well. Since there have been an increase in funerals the Hebra income will increase along with associated costs to carry out the funerals.

The duration and extent of the effects over longer terms cannot be reasonably estimated at this time. The risks and uncertainties resulting from the pandemic that may affect our future income cash flows and financial condition include the nature and duration of the curtailment or closure of our facilities

Structure, governance and management

a. Constitution

The governing document of the Congregation (as defined below) is the Ascamoto. This governs in relation to its membership, religious services, and election to offices and how those elected administer the Congregation. Governance is by elected "Elders" known as the "Board of Elders" or the "Trustee Board" (as defined below). Funds, income, chattels and property are held on trust for the Congregation's charitable purposes as the 'General Funds of the Spanish & Portuguese Jews' Synagogue' (the "General Funds") and 'Trust properties held in connection with the Spanish & Portuguese Jews' Synagogue' (the "Property Charity"), which are registered (no. 212517) with the Charity Commission as Charities ICW (as defined below) and to which these accounts relate.

A Charity Commission Scheme dated 29th May 1958 appointed the "members for the time being of the Board of Elders of the Spanish & Portuguese Jews' Synagogue, acting in accordance with their usual procedure" as the managing trustees of the General Funds and the Property Charity. The usual procedure of the Board of Elders is set out in the Ascamoto and all references to procedures relating to financial matters refer to the members of the Board of Elders acting in their capacity as managing trustees of the General Funds and the Property Charity.

The principal object of the charity is to provide a welcoming, enriching and educational Sephardi Jewish experience.

In July 2019, as a result of the successful bid for funding from the National Lottery Heritage Fund, a new charitable entity, the Bevis Marks Synagogue Heritage Foundation was established charity number 1184803.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019**

This has its own set of trustees, three of whom are currently also trustees of the S&P Sephardi Trustee Ltd. The main objective of the Foundation is to act as the project delivery board to oversee the construction and successful opening of the new exhibition by providing strategic oversight of the project. Once the planned exhibition is open to the public it is expected that the Foundation will oversee its operational running. As the Foundation is a charity in its own right, it will be subject to its own audit and therefore its progress and accounts will be reported separately.

b. Organisational structure and decision making

Up to July 2016 the Congregation was run by Mahamad which was the Principal Executive Standing Committee of the Board of Trustees, and which was responsible to the Board for the operational management of all affairs of the Congregation. The full Board consisted of both Mahamad and Board of Elders and comprised fifteen members who include the Gabay. However In July 2016, after a series of consultative AGMs, revised Ascamoto were adopted by the congregation which provided for a unitary Board (i.e the Board of Elders became the Board of Trustees and are the single governing board of the congregation).The Ascamoto now provides that the Honorary officers (Parnas President, Vice-chair's, Gabay) may be collectively referred to as the Board of Trustees.

There has also been established an Advisory Council with no executive powers, chaired by an Ambassadorial Chair which meets at least annually, and will provide a pool of expertise from which the Board can draw for projects or committees. The chair is appointed by the Board.

The Board also has a series of committees including but not limited to local synagogue committees, finance, fund-raising and HR.

Our Board delegates the day-to-day operations of the charity to the Chief Executive who within his delegated authority has assigned operational matters to his Senior Management Team.

The charity continues to be reliant on volunteers and committees working in collaboration with the central office. Members of the community are appointed by the Board onto a series of sub committees. They contribute by overseeing key areas such as finance, property and maintenance of the heritage assets, sitting on local synagogue committees overseeing services and local events as well as those volunteers who sit on the Hebra or cemetery committees and oversee burials for the Sephardi Community.

Governance code

The Trustees have considered the Charity Commission's New Governance Code which was released in 2017 and will look to carry out an assessment of compliance against the Code's seven principles in the coming year. Four years ago the S&P charity underwent a full governance review which culminated in reducing the original multi-layered structure down to the existing board of trustees as it is today. Given this is now fully embedded into the organisation the next and final phase will be for the board to consider capability and skill set and how this aligns to the Ascamoto and this will be considered during the course of the next reporting year.

c. Method of appointment or election of Trustees

Trustees are directly elected, by the members of the Congregation. The Ascamoto covers all elections.

d. Policies adopted for the induction and training of Trustees

New members of the Board are furnished with recent minutes of relevant meetings, and a full induction pack as well as an induction session with the Chief Executive. The pack includes matters in connection with legal obligations. They are encouraged to discuss matters with other members of the Board and the Chief Executive.

The Board recognises that the responsibilities of a Trustee are considerable. Training sessions will be arranged as the need arises. Representatives of the Board also attend annual Trustee training provided by LEAD, part of the Jewish Leadership council which has covered governance and other compliance areas.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019**

e. Pay policy for senior staff

The arrangements for setting the pay and remuneration of the charity's key management personnel are that the Board of Elders/Trustee Board decides on the appropriate salary after discussion with HR subcommittee and benchmarking within the charitable and Jewish sector. For rabbinical salaries benchmarking outside the UK may also be appropriate.

f. Risk management

The Board has established the following areas of potential risk and have drafted a working risk register.

1. Operational

The Board are aware and have identified that membership numbers are key to financial performance and ensuring the future of the organisation and therefore there need a comprehensive strategy to mitigate the risk of loss of members. In the first instance the introduction of the Nursery in Lauderdale Rd will, in the medium to long term, encourage new, young families. Equally there is a risk connected to a changing age profile and to mitigate against this leading to long term loss of members, a clear strategy for youth and young families has been implemented which is being run largely by volunteers.

The risk to the operations of the community due to the pandemic is to ensure that the objectives and the activities for achieving those objects can continue without a physical presence. This has been partly achieved by engaging with the community using conferencing software, such as Zoom, and increased usage of social media. Also, with the offices closed, that the ecclesiastical and the support functions could continue to operate by enabling staff to work from home, this has been achieved and a working from home policy has been put in place.

2. Reputational

The Board are acutely aware of the need to maintain the reputation of themselves, the Senior Rabbi, the Beth Din, staff and Kahal to ensure trust is maintained that we act as an orthodox Sephardi Community.

Due to the pandemic there is a risk that the community could be in contravention to new and constantly changing government guidelines, thereby bringing the community into disrepute. The community have been following government guidelines and the trustees and senior management have been keeping informed of the changes to ensure that these guidelines are adhered to.

3. Financial

The Board is constantly reviewing plans for the future sustainability of the community. The Board is aware of the fact the finances are reliant on fundraising and aware that we need to ensure that donors are fully committed and that there is no donor fatigue. New fundraising initiatives are under discussion including a major drive for new funds to celebrate the contribution of the S&P Sephardi Community to British Jewry.

As a result of the pandemic there is an increased risk that due to a loss of income from donors, the finances of the community could deteriorate. At the date of signing the finances have not been materially affected by the pandemic and the financial position is reviewed by trustees and senior management on a regular basis. If donations were to drop by an amount over 20% then the community would need to look to ways to decrease its costs and draw on investments which could have an impact on it delivering on all its objectives both now and in the future.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019**

Plans for future periods

Future developments

The future development of the charity must focus on three key areas:

1. Sustainability
2. Growth in Membership
3. Professionalisation

The organisation must focus on the sustainability and have long term plans for an aging estate. As well as antiquated infrastructure the need to maintain a Grade I and Grade II listed building in a charity of this size is a challenge. Proper financial budgeting and planning for building maintenance linked to focussed fundraising will ensure plans are in place to keep the infrastructure in a workable and usable condition. The National Heritage Lottery project is a major enabler for sustaining the Bevis Marks synagogue, with the project poised to embark on development work in autumn 2020 the future feels more assured and secure.

Growth in membership and developing the S&P Sephardi Community brand is very important and fundamental to the future of the organisation. With the recent establishment of a new Jewish day care Nursery in September 2019, it is hoped, this will afford the opportunity for a new wave of young families coming to Ashworth/Lauderdale Road to become new members. The move of the offices from Ashworth Road into Hendon should, in time, encourage a new cohort of young, modern thinking Sephardi communities within the NW London and Greater London area to become Affiliates and closer partners of the organisations and take advantage of the administration services provided by the Central Office. Due to financial challenges the charity has implemented a restructuring exercise which has created a smaller, more efficient corporate team.

With these organisational changes there has been and continues to be a desire to professionalise the work of the offices which includes introducing new policies and financial controls, more accurate financial reporting and introducing measures to be more cost efficient . This is a continuous work in progress and the move to Hendon has been an enabler by creating a more professional, collaborative environment from which to operate.

Specific plans for the future include:

1. Proposals have been developed for encouraging new individual family members and existing independent and affiliate communities. The proposals set out how the S&P Sephardi Community can support not only the existing administration but also to help grow these communities through economies of scale and efficiencies in operation that the Head Office can afford. A new burial scheme is near completion and it is hoped this will be a key enabler for attracting new communities.
2. The Sunday school (Cheder) although currently with 20-30 young children is expecting to grow. An active committee are in the process of developing plans for future growth and plans are underway to redevelop underutilised space in Ashworth Road to provide a modern, exciting environment for the children.
3. A new, independent Jewish Day Care Nursery successfully opened in September 2019 under the auspices of the S&P Sephardi Community in the space vacated by the offices. Despite only opening a number of months the Nursery is already heading well in the direction of being at capacity. The S&P has also entered into partnership discussions with the Nursery for a mutual referral scheme which should see Nursery numbers and Lauderdale Synagogue members increase over time.

In light of the COVID-19 pandemic the future developments remain unchanged, however the plan to grow the membership may sadly be delayed due to a drop in the membership, because of an increase in the number of deaths that have arisen as a direct result of the pandemic.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2019

Information on fundraising practices

This note is written with regard to Fundraising disclosures brought in by section 13 of the Charities (Protection and Social Investment) Act 2016 and notes that Charities registered in England and Wales which must have their accounts audited by law must, for periods beginning on or after 1 November 2016, include extra information on their fundraising practices in the trustees' annual report under the provisions of section 13 of the Charities (Protection and Social Investment) Act 2016.

Fundraising is now overseen by a part time (4 days a week) member of staff with previous demonstrable experience in fundraising and legacy giving.

Fundraising consists mainly of the following categories:-

- Collection of annual Finta (membership donations) and in addition Finta specifically for security
- Donations given in synagogue (offerings) in commemoration or celebration
- High Holy day donations, particularly our Kal Nidre appeal.
- Specific targeted canvassing with donations given in recognition of the work of Rabbi Dweck
- Charitable Trusts for specific projects

We have not to date signed up with the fundraising regulator. The activities of the fundraising manager are monitored by the Chief Executive and the Board receives regular reports.

There were no formal complaints received by the charity, or by a person acting on its behalf for the purposes of fundraising, about fundraising activity. A Terms of Reference for all committees has been drafted which will need to be ratified by each synagogue committee. This sets out the roles and responsibilities of volunteers working at a local level. Separately the staff handbook sets out guidelines for staff behaviour and a separate 'Volunteer Code of Conduct' has been created which will be shared with all volunteers (committee members, trustees etc.). This sets out the expected behaviour of individuals working for the charity.

No fundraising is carried out directly to the public except the ability to become a friend of Bevis Marks.

Funds held as custodian

The London Sephardi Trust (company number 0051526) is the custodian trustee of the assets held in the General Funds and the Property Charity. The Board of the London Sephardi Trust is the same as the Board of the S&P Sephardi Community.

A new scheme is currently being agreed with the charity commission which will make a new company the S&P Sephardi Trustee Limited the Corporate Trustee of the charities whilst the London Sephardi Trust remains the custodian Trustee.

Our trustees have due regard for their specific responsibilities in respect of the charity and apply care and diligence in ensuring the requirements of the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016 are adhered to.

Objects: The Objects of the Charities (which will be defined under the new charity scheme), are for the public benefit to support such work of the Congregation as shall be exclusively charitable under the laws of England and Wales from time to time as the Trustee shall think fit. Without prejudice to the generality of the foregoing, such exclusively charitable work includes:

- (1) the advancement of the orthodox Jewish religion as practised by the Spanish & Portuguese Jewish community and other Sephardi communities;

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2019

(2) the advancement of education of the orthodox Jewish religion and of the history, culture and traditions of the Spanish & Portuguese Jewish community and other Sephardi communities; and

(3) to advance education on the history of the Spanish & Portuguese Jewish community, in particular but not exclusively by the curation, preservation and cataloguing of historic documents, records, artefacts and synagogue buildings for public display and for the purposes of research.

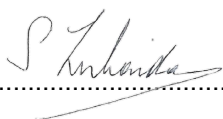
Auditors

On 25 June 2018, Crowe Clark Whitehall LLP changed its name to Crowe U.K. LLP, Crowe U.K. LLP were reappointed as the charity's auditors during the year and has expressed their willingness to continue in that capacity.

Bank

The Charity banks with the Natwest Bank. This has not changed in over 150 years as one of the bank's first customers.

The report was approved by the Board and signed on their behalf by:


.....

Date: 24th August 2020

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

Opinion

We have audited the financial statements of Spanish And Portuguese Jews' Synagogue (operating as 'The S&P Sephardi Community') (the 'charity') for the year ended 31 October 2019 set out on pages 16 to 42. 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 October 2019 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 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 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 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's 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

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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 (who are also the directors of the charity 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.

Auditor's 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 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPANISH AND PORTUGUESE JEWS'
SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')**

Use of our report

This report is made solely to the charitable company'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 charitable company's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date:

Crowe U.K. LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2019

	Note	Endowment funds 2019 £	Restricted funds 2019 £	Unrestricted funds - Designated 2019 £	Unrestricted funds - General 2019 £	Total funds 2019 £	Total funds 2018 £
Income and endowments from:							
Investments	4	950	13,682	46,329	108,046	169,007	204,396
Donations and legacies	2	13,543	486,778	-	1,194,249	1,694,570	1,503,859
Charitable activities:	3	-	9,850	612,580	119,928	742,358	591,897
Other income	5	-	-	52,069	97,902	149,971	119,225
Total income and endowments		14,493	510,310	710,978	1,520,125	2,755,906	2,419,377
Expenditure on:							
Fundraising & charitable activities	6	-	502,828	417,338	1,983,556	2,903,722	2,802,275
Total expenditure		-	502,828	417,338	1,983,556	2,903,722	2,802,275
Net income / (expenditure) before investment gains		14,493	7,482	293,640	(463,431)	(147,816)	(382,898)
Net gains on investments	12	1,567	22,583	76,464	11,744	112,358	387,292
Net income / (expenditure) before transfers		16,060	30,065	370,104	(451,687)	(35,458)	4,394
Transfers between Funds	18	(493)	-	(238,225)	238,718	-	-
Net income / (expenditure) before other recognised gains and losses		15,567	30,065	131,879	(212,969)	(35,458)	4,394
Gains on revaluations of fixed assets	10	-	-	-	160,447	160,447	351,623
Net movement in funds		15,567	30,065	131,879	(52,522)	124,989	356,017
Reconciliation of funds:							
Total funds brought forward		2,854,507	575,495	1,660,626	5,770,768	10,861,396	10,505,379
Total funds carried forward		2,870,074	605,560	1,792,505	5,718,246	10,986,385	10,861,396

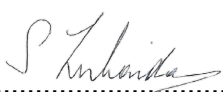
The notes on pages 19 to 42 form part of these financial statements.


SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

**BALANCE SHEET
AS AT 31 OCTOBER 2019**

	Note	£	2019 £	£	Restated 2018 £
Fixed assets					
Tangible assets	10		7,152,096		6,957,941
Heritage assets	11		2,815,790		2,815,790
Investments	12		4,261,103		4,319,789
			<u>14,228,989</u>		<u>14,093,520</u>
Current assets					
Debtors	13	367,939		284,614	
Investments	14	-		355,000	
Cash at bank and in hand		441,513		307,530	
			<u>809,452</u>	<u>947,144</u>	
Creditors: amounts falling due within one year	15		<u>(2,678,853)</u>	<u>(2,736,512)</u>	
Net current liabilities			<u>(1,869,401)</u>		<u>(1,789,368)</u>
Total assets less current liabilities			12,359,588		12,304,152
Provisions for Liabilities	17		<u>(1,373,203)</u>		<u>(1,442,756)</u>
Net assets			<u><u>10,986,385</u></u>		<u><u>10,861,396</u></u>
Charity Funds					
Endowment funds	18		2,870,074		2,854,507
Designated funds	18		1,792,505		1,660,626
General funds	18		5,718,246		5,770,768
Restricted funds	18		605,560		575,495
			<u>10,986,385</u>		<u>10,861,396</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Charities Act with respect to accounting records and the preparation of financial statements.
The financial statements were approved and authorised for issue by the Trustees on _____ and signed on their behalf, by:


.....
Sabah Zubaida


.....
Mark Salem

The notes on pages 19 to 42 form part of these financial statements.

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	20	<u>(382,010)</u>	<u>(310,622)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		169,007	204,396
Purchase of tangible fixed assets	10	(131,052)	(1,804,285)
Proceeds from sale of investments		555,000	-
Purchase of investments	12	<u>(28,956)</u>	<u>(894,179)</u>
Net cash provided by/(used in) investing activities		<u>563,999</u>	<u>(2,494,068)</u>
Cash flows from financing activities:			
Repayments of borrowings		(48,006)	-
Cash inflows from new borrowing	16	-	1,695,591
Net cash (used in)/provided by financing activities		<u>(48,006)</u>	<u>1,695,591</u>
Change in cash and cash equivalents in the year		133,983	(1,109,099)
Cash and cash equivalents brought forward		307,530	1,416,629
Cash and cash equivalents carried forward	21	<u>441,513</u>	<u>307,530</u>

The notes on pages 19 to 42 form part of these financial statements.

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

1. Accounting Policies

1.1 Charity information

Spanish And Portuguese Jews' Synagogue (operating as 'The S&P Sephardi Community') is a Charity registered in England and Wales (reg. 212517). The registered office is 2 Ashworth Road, London, W9 1JY

1.2 Basis of preparation of financial statements

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

Spanish And Portuguese Jews' Synagogue (operating as 'The S&P Sephardi Community') meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Spanish And Portuguese Jews' Synagogue (operating as 'The S&P Sephardi Community') constitutes a public benefit entity as defined by FRS 102.

1.3 Going concern

At the time of approving the accounts and in light of the COVID-19 pandemic, the Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees report continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Endowment funds relate to Charity's heritage assets, more details are provided in the note 18.

1.5 Incoming resources

Donations, legacies and other forms of voluntary income are recognised on receipt or when entitlement to receipt is probable and the amount can be reliably valued.

Finta (membership subscriptions) is treated as a donation and is accounted for when received. Tax recoverable continues to be accounted for in the year in which the related Finta is received.

Grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors; where entitlement occurs before income being received the income is accrued. Capital grants are accounted for as income as soon as they are received.

Investment income has been included to the extent that it arises on the fixed asset investments held during the year. Investment income is recognised on a receivable basis.

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

1. Accounting Policies (continued)

1.6 Expenditure

Expenditure is recognised on an accruals basis, inclusive of value added tax.

Fundraising costs are those incurred in seeking voluntary contributions, this includes costs incurred in producing the Charity's newsletters and website.

Charitable expenditure comprises all expenditure directly relating to the objectives of the Charity and are allocated across the 3 main categories; Ecclesiastical, Hebra, Educational and programme activities

Governance costs include audit costs and legal advice for the trustees and those costs associated with constitutional and statutory requirements.

"Support costs are those costs that are not directly attributable to a single activity but provide the necessary organisational support for all the charity's activities. The support costs have all been allocated across Fundraising and Charitable activities according to the following percentages which are based on the effective number of staff supporting each activities;

- Fundraising - 3%
- Synagogues & Ecclesiastical - 73%
- Educational and programme activities - 24%

1.7 Tangible fixed assets and depreciation

Items of equipment are capitalised where the purchase price exceeds £500.

Residential Freehold and Leasehold buildings are initially measured at cost and subsequently revalued periodically to market value, net of depreciation and any impairment losses.

Fixtures, fittings and equipment are recognised at cost.

Synagogues, Burial Grounds and Operational Buildings are held at cost less depreciation and impairment, the majority of these assets are over 50 years old held at nil value and deemed to be fully depreciated. Freehold land associated with these categories is not valued on the balance sheet as the difference to historical cost is immaterial.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	-	2%
Long-term leasehold property	-	2%
Fixtures and fittings	-	20%
Computer equipment	-	33.3%

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

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

1. Accounting Policies (continued)

1.8 Heritage assets

Heritage assets acquired or donated are capitalised and recognised in the Balance Sheet at their cost or value at the date of acquisition, where such a cost or value is reasonably obtainable. Capitalised heritage assets are not subject to depreciation or revaluation as a matter of routine.

The Heritage assets continue to be catalogued in a database. The majority of the Heritage assets are stored in NatWest's bank vaults, some are on display in museums. A trustee and member of staff maintain the Heritage assets to ensure that they are well preserved.

In 2015, an external valuation was undertaken by Sotheby's for a collection of heritage assets, comprising books, scrolls, silverware, artwork, pictures and artifacts. The valuation was on an 'open market value' basis and a value of £2,815,790 has been received, and brought on to the Balance Sheet. Further information can be found in note 11 to the accounts.

1.9 Fixed asset investments

Fixed asset investments (including investment properties) are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.10 Cash at Bank and in hand

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

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

1. Accounting Policies (continued)

1.11 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances but exclude prepayments and gift aid recoverable, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans but excluding deferred income and taxation, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Provisions

Provisions are recognised when the Charity has a legal or constructive present obligation as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

As the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value.

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

1. Accounting Policies (continued)

1.13 Employee benefits

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

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

1.14 Retirement benefits

The Charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme and allocated to the charitable activities in line with salary costs.

1.15 Constituent Synagogues

There are three constituent synagogues at Bevis Marks (City of London), Lauderdale Road (Maida Vale) and Forty Avenue (Wembley).

1.16 Critical accounting estimates and areas of judgment

In the application of the charity's accounting policies, the Trustees is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The financial statements include estimates in respect of the following:

- Valuation of Tangible fixed assets and Fixed asset investment (in respect of Freehold and Leasehold land and buildings);
- Heritage assets;
- Provisions for the charity's ministers' residences

Further details are provided in the accounting policies and in the relevant notes to the accounts. The estimates and underlying assumptions are reviewed on an ongoing basis.

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

2. Donations and Grants

	Unrestricted funds - general £	Unrestricted funds - Endowment £	Restricted funds £	2019 £	2018 £
Finta	447,647	-	36,268	483,915	468,352
Synagogue donations	113,108	-	-	113,108	151,075
Other donations	420,400	-	37,350	457,750	273,779
Appeals	88,701	-	170,622	259,323	122,755
Gift Aid recovered	127,048	-	-	127,048	122,589
Grants receivable for core activities	2,888	-	242,538	245,426	302,863
Legacies	-	7,000	1,000	8,000	62,446
Total	1,199,792	7,000	487,778	1,694,570	1,503,859

3. Charitable activities

	Unrestricted funds - general £	Unrestricted funds - designated £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Hebra income	46,328	612,580	-	658,908	529,020
Educational and programme activities	32,675	-	9,850	42,525	30,305
Marriages	28,175	-	-	28,175	22,695
Beth Din	12,750	-	-	12,750	9,875
	119,928	612,580	9,850	742,358	591,895
<i>Total 2018</i>	-	-	591,895	591,895	

4. Investment income

	Unrestricted funds - general £	Unrestricted funds - designated £	Restricted funds £	2019 £	2018 £
Rental income	100,784	-	-	100,784	93,085
Distributions from Common Investment Fund	7,816	46,329	13,682	67,827	88,017
Interest receivable	396	-	-	396	23,294
Total	108,996	46,329	13,682	169,007	204,396

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

5. Other income

	Unrestricted funds - general £	Unrestricted funds - designated £	Restricted funds £	2019 £	2018 £
Room hire	17,370	-	-	17,370	26,135
Administration fees	54,600	-	-	54,600	43,012
Bevis Marks Visitor income	22,349	-	-	22,349	15,164
Other income	55,652	-	-	55,652	34,914
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	149,971	-	-	149,971	119,225
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6. Expenditure

	Staff costs £	Direct costs £	Support costs £	2019 £	2018 £
Fundraising					
Fundraising & Marketing	-	19,063	28,876	47,939	54,978
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Sub total	-	19,063	28,876	47,939	54,978
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Charitable activities					
Synagogues & Ecclesiastical Hebra	619,624	603,180	866,287	2,089,091	1,822,877
	-	392,273	-	392,273	474,639
Educational and programme activities	-	85,652	288,767	374,419	449,781
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Sub total	619,624	1,081,105	1,155,054	2,855,783	2,747,297
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	619,624	1,100,168	1,183,930	2,903,722	2,802,275
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

7. Support costs

	Fundraising £	Synagogue & Ecclesiastical £	Educational and programme activities £	2019 £	2018 £
Staff costs	11,953	358,583	119,528	490,064	455,239
Property	4,728	141,826	47,275	193,829	153,032
Other staff costs	2,972	89,167	29,722	121,862	194,201
Office supplies	2,788	83,634	27,878	114,300	94,226
Insurance	953	28,605	9,535	39,093	42,654
Professional fees	2,791	83,716	27,905	114,412	109,952
Accountancy	90	2,701	900	3,691	4,031
Provisions	(1,692)	(50,758)	(16,919)	(69,369)	(43,093)
Bank & Interest	1,387	41,604	13,868	56,859	48,663
Governance	492	14,772	4,924	20,189	30,454
Other	40	1,207	403	1,649	2,949
Depreciation	2,374	71,229	23,748	97,351	28,425
Total	<u>28,876</u>	<u>866,286</u>	<u>288,767</u>	<u>1,183,930</u>	<u>1,120,733</u>

Governance costs include:

	2019 £	2018 £
Auditors Remuneration - audit	15,350	14,900
Auditors Remuneration - other services	2,550	2,500
Total	<u>17,900</u>	<u>17,400</u>

8. Trustees remuneration and expenditure

No Trustees received any remuneration (2018: nil) nor were they reimbursed any expenses during the year (2018: nil).

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

9. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	981,224	960,650
Social security costs	111,418	87,490
Other pension costs	17,045	10,527
	<u>1,109,687</u>	<u>1,058,667</u>

Included within wages and salaries are payments totaling £35,841 (2018: £46,500) which relate to ex-gratia termination payments, all were paid during the year. Such payments are accounted for when the decision to terminate the employment is made.

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

	2019 No.	2018 No.
Ecclesiastical staff	15	13
Hebra	1	2
Administration and support staff	12	12
Cheder teachers (term time only)	5	6
	<u>33</u>	<u>33</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	1	0
In the band £160,001 - £170,000	1	1

The key management personnel of the charity comprise the Chief Executive and the Senior Rabbi, total employee benefits (including employer national insurance and pension contributions) amounted to £277,591 (2018: £282,979).

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

10. Tangible fixed assets

	Freehold land & buildings £	Leasehold land & buildings £	Fixtures, fittings & equipment £	Total £
Cost or valuation				
At 1 November 2018	6,491,370	501,282	93,660	7,086,312
Additions	-	-	131,057	131,057
Revaluation	37,296	48,718	-	86,014
At 31 October 2019	<u>6,528,666</u>	<u>550,000</u>	<u>224,717</u>	<u>7,303,383</u>
Depreciation				
At 1 November 2018	67,795	10,021	50,555	128,371
Charge for the year	52,127	10,026	35,191	97,344
On revalued assets	(54,381)	(20,047)	-	(74,428)
At 31 October 2019	<u>65,541</u>	<u>-</u>	<u>85,746</u>	<u>151,287</u>
Net book value				
At 31 October 2019	<u>6,463,125</u>	<u>550,000</u>	<u>138,971</u>	<u>7,152,096</u>
At 31 October 2018	<u>6,423,575</u>	<u>491,261</u>	<u>43,105</u>	<u>6,957,941</u>

All of the above assets are used for charitable purposes.

Included within freehold and leasehold land and buildings is the following ministers' residence; 62B Marlborough Place and 5 Osprey Court. At the year end these properties were revalued by an independent valuer, by a member of MNAEA, a member of the estate agents association.

In August 2017 3 Vale Close was revalued to fair value by an independent valuer in accordance with RICS Valuation Standards.

The historical cost of revalued assets was;

- Freehold property - £4,306,071
- Leasehold property - £501,282

The Trustees have carried out an impairment review of the properties of the Charity and are confident that there has been no reduction in the service potential of these properties. Accordingly, they have concluded that no impairment provision is necessary.

The charity also owns a number of historical buildings which are held at £Nil net book value on the grounds that the cost of these freeholds is now fully depreciated or the freehold interest is considered to be immaterial and written off. These include;

Synagogues	Burial Grounds	Other Freehold Properties
Bevis Marks Synagogue	Nuevo Burial Ground	Edinburgh House
Lauderdale Road Synagogue	Velho Burial Ground	
Holland Park Synagogue	Brentwood Burial Ground	
Wembley Synagogue		

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

11. Charity heritage assets

	Heritage assets £	Total £
At 1 November 2018 and 31 October 2019	2,815,790	2,815,790
<i>At 31 October 2018</i>	<u>2,815,790</u>	<u>2,815,790</u>

The charity has for many years held assets of historical and cultural importance. These assets comprise books, scrolls, silverware, artwork, pictures and other artifacts, and freehold properties.

These assets are considered to be heritage assets. Due to the nature of these heritage assets, it was previously not possible to place a reliable value on them, and the trustees followed the Statement of Recommended Practice (SORP) which allows heritage assets to be excluded from the financial statements if there is no reliable estimate of value and it would be unreasonably costly to obtain such a valuation.

The trustees obtained an open market valuation of these assets from Sotheby's in the year to 31 October 2015 and in accordance with the SORP, brought a value of £2,815,790 for heritage assets onto the balance sheet. These items are important for the community history and education and were donated with the intention that they would be held in the long term for future benefit. Whilst these assets are to be held in the long term, trustees have the power to sell these items if it would be beneficial to the charity. Accordingly these items are held within an expendable endowment, a fund where there is no requirement to spend or apply the capital unless the trustees decide to do so.

There were no sales or purchases of heritage assets during the year.

Expenditure on the heritage assets is immaterial year on year and exclusively relates to the costs incurred for storage.

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

12. Fixed asset investments

	Investment in Common Investment Fund £	Investment property £	Total £
Cost or valuation			
At 1 November 2018	2,724,789	1,595,000	4,319,789
Additions	28,956	-	28,956
Disposals	(200,000)	-	(200,000)
Revaluations	112,358	-	112,358
	<u>2,666,103</u>	<u>1,595,000</u>	<u>4,261,103</u>
At 31 October 2019	<u>2,666,103</u>	<u>1,595,000</u>	<u>4,261,103</u>

Valuation

The above investment held by S&P Sephardi Community accounts for 26.3% of the total Spanish and Portuguese Jew's Synagogue Common Investment Fund (charity reg no. 1104449).

Included within investment property are the properties at 4 (part), 6, 8, and 10 Heneage Lane, London (freehold interest only).

13. Debtors

	2019 £	2018 £
Trade debtors	278,459	232,584
Amounts due from Common Investment Fund	43,205	31,590
Other debtors	14,328	2,718
Prepayments and accrued income	15,744	-
Gift Aid recoverable	16,202	17,722
	<u>367,938</u>	<u>284,614</u>

14. Current asset investments

	2019 £	2018 £
Investment property	-	355,000
	<u>-</u>	<u>355,000</u>

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

15. Creditors: Amounts falling due within one year

	2019 £	<i>Restated</i> 2018 £
Bank loans	1,647,586	1,695,591
Trade creditors	35,965	57,074
Other taxation and social security	35,282	29,114
Other creditors	40,464	34,466
Accruals and deferred income	919,556	920,267
	<u>2,678,853</u>	<u>2,736,512</u>

Deferred income relates to income received in advance for burials and funerals, these are released when carried out.

Deferred income

Deferred income at 1 November 2018	872,128
Resources deferred during the year	116,216
Amounts released from previous years	(167,673)
Deferred income at 31 October 2019	<u>820,671</u>

16. Creditors: Amounts falling due after more than one year

	2019 £	<i>Restated</i> 2018 £
	<u>-</u>	<u>-</u>

In the previous year a mortgage was taken out by the charity to fund the purchase of a new property. The mortgage has a variable rate of 1.99% + the Bank of England base rate and is due for repayment in 2043. The mortgage is secured against 3 Vale Close, a freehold property owned by the charity with a total net book value of £4,250,000 at the year end.

At both 31 October 2019 and 31 October 2018 the Charity was in breach of the annual debt service financial loan covenant of the bank loan. In the absence of a waiver being in place at the financial year end, the loan provider has the right to ask for full repayment of the loan and as such it has been reclassified as a current liability in both years. As at the date of signing a waiver had not been provided for the 2019 financial year. A waiver was provided during 2019 for the 2018 financial year end. The loan and interest payments have been made and continue to be made on time and in full.

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

17. Provisions

	Provisions £
At 1 November 2018	1,442,756
Movement in provision	(69,553)
At 31 October 2019	<u>1,373,203</u>

Obligations for Ecclesiastical Officers' accommodation

Two of the ecclesiastical officers (Ministers) occupy residential accommodation owned by the Synagogue under housing licences.

These licenses permit the Ministers to remain in their current Synagogue dwellings (during which the Synagogue will cover the cost of rates, service charges and repairs) until 5 years after their retirement date, or until age 75, whichever comes first. At this point, they will be entitled to alternative accommodation, which will be provided until the later death of the Minister or their spouse.

One of these Ministers moved into their alternative accommodation during the year ending 31 October 2014. This accommodation was purchased by the Synagogue therefore the Synagogue will continue to cover the cost of rates, service charge and repairs for this Minister. The other Minister is yet to retire, and once in alternative accommodation, the Synagogue will cover the cost of the respective rent to third party landlords.

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

18. Statement of funds

Statement of funds - current year

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2019 £
Unrestricted funds						
General Funds - all funds	<u>5,770,768</u>	<u>1,520,125</u>	<u>(1,983,556)</u>	<u>238,718</u>	<u>172,191</u>	<u>5,718,246</u>
Endowment funds						
Heritage assets	2,815,790	-	-	-	-	2,815,790
Sephardi Endowment fund	38,717	14,493	-	(493)	1,567	54,284
	<u>2,854,507</u>	<u>14,493</u>	<u>-</u>	<u>(493)</u>	<u>1,567</u>	<u>2,870,074</u>

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

18. Statement of funds (continued)

Restricted funds

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2019 £
Abraham Valencia Holy Books Fund	108,239	2,694	-	-	4,446	115,379
Norma Levy Memorial Fund	5,907	140	(1,200)	-	232	5,079
Raphael de Sola Hazanut Fund	38,233	951	-	-	1,571	40,755
Religious Education Fund	77,362	14,768	(35,775)	-	3,165	59,520
Richard Barnett Memorial Lecture Fund	22,560	562	(567)	-	927	23,482
Tombstone Fund	210,012	5,227	-	-	8,627	223,866
Violet Reuben Fund	19,621	488	-	-	806	20,915
Wembley Building Fund	67,768	1,686	(11,213)	-	2,783	61,024
Other Restricted funds	1,103	-	-	-	-	1,103
Security Levy	-	36,268	(36,268)	-	-	-
Heritage Roof Fund	24,056	289,849	(313,905)	-	-	-
Community Security Trust	-	56,311	(56,311)	-	-	-
Brandon Endowment	-	30,000	(30,000)	-	-	-
Special Contingency Fund	634	16	-	-	26	676
Lauderdale Young Family Fund	-	26,500	(4,589)	-	-	21,911
Rothschild Digital Archive Fund	-	15,000	-	-	-	15,000
Montefiore Torah Scholar Fund	-	10,000	(10,000)	-	-	-
Lauderdale Synagogue Shamash Fund	-	9,000	(3,000)	-	-	6,000
Vera Goodman Book Fund	-	1,000	-	-	-	1,000
Other Restricted funds	-	9,850	-	-	-	9,850
	575,495	510,310	(502,828)	-	22,583	605,560

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

18. Statement of funds (continued)

Unrestricted - Designated funds

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2019 £
Beth Haim Reserve	1,609,808	709,996	(391,644)	(247,830)	74,843	1,755,173
Nuevo Fund	29,803	742	-	-	1,224	31,769
Heneage Lane Endowment	9,640	240	(5,694)	-	397	4,583
Honorary Hazenut Fund	11,375	-	(20,000)	9,605	-	980
Subtotal	1,660,626	710,978	(417,338)	(238,225)	76,464	1,792,505
	2,236,121	1,221,288	(920,166)	(238,225)	99,047	2,398,065
Total of funds	10,861,396	2,755,906	(2,903,722)	-	272,805	10,986,385

	Balance at 1 November 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2018 £
Statement of funds - prior year						
General Funds - all funds	5,522,751	1,443,924	(2,015,756)	126,735	693,114	5,770,768
Endowment funds						
Heritage assets	2,815,790	-	-	-	-	2,815,790
Sephardi Endowment fund	-	37,985	-	-	732	38,717
	2,815,790	37,985	-	-	732	2,854,507

SPANISH AND PORTUGUESE JEWS' SYNAGOGUE (OPERATING AS 'THE S&P SEPHARDI COMMUNITY')

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

18. Statement of funds (continued)

Restricted funds

	<i>Balance at 1 November 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 October 2018 £</i>
Abraham Valencia Holy Books Fund	104,927	3,135	(1,260)	-	1,437	108,239
Norma Levy Memorial Fund	5,563	236	-	-	108	5,907
Raphael de Sola Hazanut Fund	36,221	1,380	-	-	632	38,233
Religious Education Fund	53,462	35,230	(12,808)	-	1,478	77,362
Richard Barnett Memorial Lecture Fund	21,539	700	-	-	321	22,560
Tombstone Fund	202,256	5,318	-	-	2,438	210,012
Violet Reuben Fund	19,001	425	-	-	195	19,621
Wembley Building Fund	67,680	3,939	(5,656)	-	1,805	67,768
Other Restricted funds	1,353	-	(250)	-	-	1,103
Heritage Roof Fund	-	206,868	(182,812)	-	-	24,056
Community Security Trust	-	59,023	(59,023)	-	-	-
Brandon Endowment	-	30,000	(30,000)	-	-	-
Special Contingency Fund	-	435	-	-	199	634
	<u>512,002</u>	<u>346,689</u>	<u>(291,809)</u>	<u>-</u>	<u>8,613</u>	<u>575,495</u>

Unrestricted - Designated funds

	<i>Balance at 1 November 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 October 2018 £</i>
Beth Haim Reserve	1,594,440	587,517	(480,375)	(126,735)	34,961	1,609,808
Nuevo Fund	26,899	1,991	-	-	913	29,803
Heneage Lane Endowment	22,122	1,271	(14,335)	-	582	9,640
Honorary Hazanut Fund	11,375	-	-	-	-	11,375
Subtotal	<u>1,654,836</u>	<u>590,779</u>	<u>(494,710)</u>	<u>(126,735)</u>	<u>36,456</u>	<u>1,660,626</u>
	<u>2,166,838</u>	<u>937,468</u>	<u>(786,519)</u>	<u>(126,735)</u>	<u>45,069</u>	<u>2,236,121</u>
Total of funds	<u><u>10,505,379</u></u>	<u><u>2,419,377</u></u>	<u><u>(2,802,275)</u></u>	<u><u>-</u></u>	<u><u>738,915</u></u>	<u><u>10,861,396</u></u>

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

RESTRICTED FUNDS

Abraham Valencia Holy Books Fund - To provide for the purchase of religious books

Community Security Trust - To provide for the security of the synagogues.

Brandon Endowment Salary Fund - To provide for the salary of the Programme Director, Bevis Marks Rabbi & Marketing Assistant.

Heritage Roof Fund - To fund the development of the Bevis Marks Synagogue

Norma Levy Memorial Fund - To provide floral decoration on Shabu'ot in Lauderdale Road Synagogue

Raphael de Sola Hazanut Fund - To provide scholarships for young men of the Congregation for Hazanut training.

Religious Education Fund - To provide for the needs of religious classes.

Richard Barnett Memorial Lecture - To provide for the cost of an annual lecture.

Sephardi Endowment - Grants made towards the salaries of the Bevis Marks Rabbi, and the program director

Special Contingency Fund - To provide for any specific needs of the Congregation.

Tombstone Fund - To provide for the maintenance and repair of charity tombstones

Violet Reuben Fund - To provide prizes for Hebrew religious classes.

Wembley Building Fund - To provide for the purchase and maintenance of Wembley Synagogue

Other Restricted funds - Include several different restricted funds to provide;

- > plant and maintain a biblical garden at the side of Lauderdale Road Synagogue
- > for the garden at Lauderdale Road Synagogue
- > for the upkeep of vestments
- > or the refurbishment of the milk kitchen and other rooms.

DESIGNATED FUNDS

Beth Haim Reserve - To provide for and maintain burial grounds.

Nuevo Fund - To provide for charitable and educational purposes, not forming part of the normal expenses of the Congregation.

Heneage Lane Endowment - To provide for the upkeep and maintenance of Bevis Marks Synagogue.

Honorary Hazanut Fund - These are funds to be spent at the Honorary Hazan's discretion

Transfers between funds included - A transfer from Beth Haim Reserve totalling £238,225 was made to the General Unrestricted Fund. This transfer related to the administrative support the charity has provided to Hebra activities during the year.

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2019 £	Restricted funds 2019 £	Unrestricted funds - Designated 2019 £	Unrestricted funds - General 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	-	7,152,096	7,152,096
Fixed asset investments	46,717	565,476	1,966,711	1,682,199	4,261,103
Heritage assets	2,815,790	-	-	-	2,815,790
Current assets	7,567	40,084	-	761,799	809,450
Creditors due within one year	-	-	(174,206)	(950,972)	(1,125,178)
Creditors due in more than one year	-	-	-	(1,553,673)	(1,553,673)
Provisions for liabilities and charges	-	-	-	(1,373,203)	(1,373,203)
	<u>2,870,074</u>	<u>605,560</u>	<u>1,792,505</u>	<u>5,718,246</u>	<u>10,986,385</u>

Analysis of net assets between funds - prior year

	Endowment funds 2018 £	Restricted funds 2018 £	Unrestricted funds - Designated 2018 £	Unrestricted funds - General 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	-	6,957,941	6,957,941
Fixed asset investments	38,150	448,904	1,899,887	1,528,684	4,319,789
Heritage assets	2,854,507	-	-	-	2,815,790
Current assets	567	126,591	-	588,490	947,144
Creditors due within one year	-	-	(239,261)	(265,758)	(1,134,834)
Creditors due in more than one year	-	-	-	(1,601,679)	(1,601,679)
Provisions for liabilities and charges	-	-	-	(1,442,756)	(1,442,756)
	<u>2,893,224</u>	<u>575,495</u>	<u>1,660,626</u>	<u>5,764,922</u>	<u>10,861,395</u>

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

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

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(35,458)	4,394
Adjustment for:		
Net depreciation charges	97,344	28,633
Losses/(gains) on investments	(112,358)	(387,292)
Dividends, interest and rents from investments	(169,007)	(204,396)
(Increase)/decrease in debtors	(83,324)	280,483
(Decrease)/increase in creditors	(9,654)	10,994
Decrease in provisions	(69,553)	(43,438)
Net cash used in operating activities	(382,010)	(310,622)

21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	441,513	307,530
Total	441,513	307,530

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

22. Operating lease commitments

The charity receives rental income from an operating lease of an investment property. The original lease was for 125 years and entitles the charity to 9.4% of future rental income collected by the Lessee, who has sublet the property to multiple tenants. There are 85 years remaining on the lease and the income receivable is variable based on the success of the Lessee subletting to various tenants.

At 31 October 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Nursery - Operating Lessee		
Within 1 year	37,877	-
Between 1 and 5 years	180,000	-
After more than 5 years	196,027	-
Total	<u>413,904</u>	<u>-</u>
Hendon - Operating Lessor		
Within 1 year	42,000	-
Between 1 and 5 years	168,000	-
After more than 5 years	185,605	-
Total	<u>395,605</u>	<u>-</u>

Hendon

The charity entered in an agreement as a lessee during the year. Rent of £33,888 was paid in connection with the Hendon lease.

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

23. Related party transactions

As at 31 October 2019, the Spanish and Portuguese Jews' Synagogue was owed £43,205 (2018: £31,588) by the Spanish and Portuguese Jews' Synagogue Common Investment Fund (an associated entity of the Spanish and Portuguese Jews' Synagogue with common trustees, also known as The London Sephardi Trust Investment Pool Fund), in which all quoted investments of the Spanish and Portuguese Jews' Synagogue were held as at 31 October 2019 and 31 October 2018. Investment income received during the year from those investments amounted to £24,622 (2018: £34,655). During the year £20,000 (2018: £20,000) was charged for administrative services from the Spanish and Portuguese Jews' Synagogues and this balance was outstanding at year end (2018: nil).

During the year the Spanish and Portuguese Jews' Synagogues took a loan from the Spanish and Portuguese Jews' Synagogue Common Investment Fund of £200,000 at an interest rate of 3%. On the 31 October 2019 this was simultaneously paid back and withdrawn as capital. The amount of interest that was paid during the year was £3,814.

Included within note 6 to the accounts are contributions from associated trusts, entities which are connected with the charity by virtue of common trustees or being part of the Spanish and Portuguese Jews' Synagogue group, and represent fees for secretarial and accounting services of £54,600 (2018: £46,850). At 31 October 2019 the Spanish and Portuguese Jews' Synagogue was owed £Nil (2018: £Nil) by such associated trusts and entities.

During the year, Mr S Ereira, the son of the trustee Mr D Ereira, provided the Spanish and Portuguese Jews' Synagogue with IT Consultancy services and was paid £6,282 (2018: £6,763). The fee charges represent charges for approximately 50% of work done, the rest was done without charge.

During the year, Mr B Musikant, the husband of the trustee K Musikant, provided the Spanish and Portuguese Jews' Synagogue with electrical maintenance services and was reimbursed £100 (2018: £4,612). The transactions were considered to be conducted at arms length.

On 23 May 2019 the Bevis Marks Synagogue Heritage Foundation (BMSHF) was incorporated, which is an associated entity of the Spanish and Portuguese Jews' Synagogues. During the year Spanish and Portuguese Jews' Synagogues received £119,227 of donations on behalf of the Bevis Marks Synagogue Heritage Foundation, which was transferred to the Foundation during the year. There were £98,676 recharges of fundraising costs and £136,827 of grant expenditure to BMSHF. The total comprising 19 donations and a £17,600 grant.

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

24. Prior year Statement of Financial Activities

	Endowment funds	Restricted funds	Unrestricted funds - Designated	Unrestricted funds - General	Total 2018
	£	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	37,985	321,481	-	1,144,393	1,503,859
Charitable activities	-	-	529,022	62,875	591,897
Investments	-	25,208	61,757	117,431	204,396
Other income	-	-	-	119,225	119,225
Total income and endowments	37,985	346,689	590,779	1,443,924	2,419,377
<u>Expenditure on:</u>					
Fundraising & charitable activities	-	291,809	494,710	2,015,756	2,802,275
Total Expenditure	-	291,809	494,710	2,015,756	2,802,275
Net gains on investments	732	8,613	36,456	341,491	387,292
Net income/(expenditure) before transfers	38,717	63,493	132,525	(230,341)	4,394
Transfers between funds			(126,735)	126,735	-
Net income/(expenditure) before other recognised gains and losses	38,717	63,493	5,790	(103,606)	4,394
Gains on revaluations of fixed assets				351,623	351,623
Net movement in funds	38,717	63,493	5,790	248,017	356,017
<u>Reconciliation of funds:</u>					
Fund balances at 1 November 2017	2,815,790	512,002	1,654,836	5,522,751	10,505,379
Fund balances at 31 October 2018	2,854,507	575,495	1,660,626	5,770,768	10,861,396