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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2020

Trustees	Sabah Zubaida (resigned 5 August 2021) David Ereira Dr Alan Mendoza (resigned 26 March 2021) Rony Sabah (resigned 4 April 2020) Richard Sassoon Kristine Musikant (resigned 26 March 2021) Anthony Tricot (resigned 14 December 2020) Mark Salem (resigned 26 March 2021) Caroline Jackson-Levy Efrat Sopher (appointed 26 March 2021) Daniel Kaye (appointed 26 March 2021) Elliot Arwas (appointed 26 March 2021) Stuart Morganstein (appointed 4 April 2020)
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)
Independent auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Natwest Bank 1 Princes Street London EC2R 8PA
Senior staff	Senior Rabbi, Rabbi Joseph Dweck Chief Executive, David Arden (resigned 31 August 2021)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020**

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 November 2019 to 31 October 2020. 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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Objectives and activities (continued)

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. This being driven, initially, by the S&P New Burial Scheme.
- 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.
- 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.
- 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

c. Activities undertaken to achieve 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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Objectives and activities (continued)

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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Achievements and performance

a. Review of activities

Success can be measured in a number of ways but the two key KPIs are (1) membership growth and (2) building a sustainable (financially stable) future operating model.

Membership numbers

2020 Membership Data (as of 31st October 2020) – 1042 Adult Members

Change (net decline) in membership numbers from previous year (1084) are due to 25 new members (excluding newlyweds), 26 deaths and 31 resignations.

The overall net decline in numbers (-42) is of concern and is, in part, due to an increase in mortality at the midway point of the year as a direct result of the COVID-19 pandemic. It is also now feeding into an internal review being undertaken by the board of trustees to develop a new long term membership strategy to encourage growth in new, young members.

As we move forward there will no doubt continue to be challenges with no immediate end in sight for the pandemic, we will continue to operate the charity in a way which puts its members at the forefront, ensuring they are fully supported both pastorally and socially.

What has happened in the last reporting year

In November 2019 no-one could have predicted what the next 12 months would bring. At that time the charity had completed a significant restructuring exercise and was looking forward to the next 12 months with a sense of some stability and certainty.

The plan for the next twelve months was to consolidate the charity position by ensuring it projected a balanced budget, new staff had been recruited for both marketing and programming and there was a sense that the charity could move forward with purpose. Continuation of the work to develop both Hebra (burial) and our Kashrut Authority (Kosher food provision) to drive additional revenue seemed to start proving positive with the purchase of a private enclosure as part of a new burial initiative being the first success.

The next few months the organisation continued to operate as usual with the synagogues open for worship, events and celebrations being held in our venues but in early March it was very clear the world was about to dramatically change. Following the news that there was now a global pandemic the organisation as we knew it was forced to completely change its approach in an extremely short period of time.

The end of March coincided with our usual AGM, this year we took the unprecedented step of holding this online for the community. Well attended in comparison to previous years this provided an early indication of the communal desire to engage in new and flexible ways. This period also marked two key points – the first being the need to ensure we put plans in place to support our community immediately prior to, during and after Passover which is traditionally the busiest time in the calendar and the second, the pandemic had also led to an inevitable and tragic rise in deaths in the community so it was imperative we put steps in place to support our cemeteries to enable them to cope with increased demand.

Support to the community and in particular the vulnerable was a big concern and the charity developed a volunteer / trustee / Rabbinic network during this early period to reach out to members to check they were okay and also to see if they needed anything e.g. food deliveries or prescriptions. The feedback received was very positive and for some it was the first time someone had been in contact for several weeks. The office also provided food and wine packages which volunteers took out to members' homes in time for Passover.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

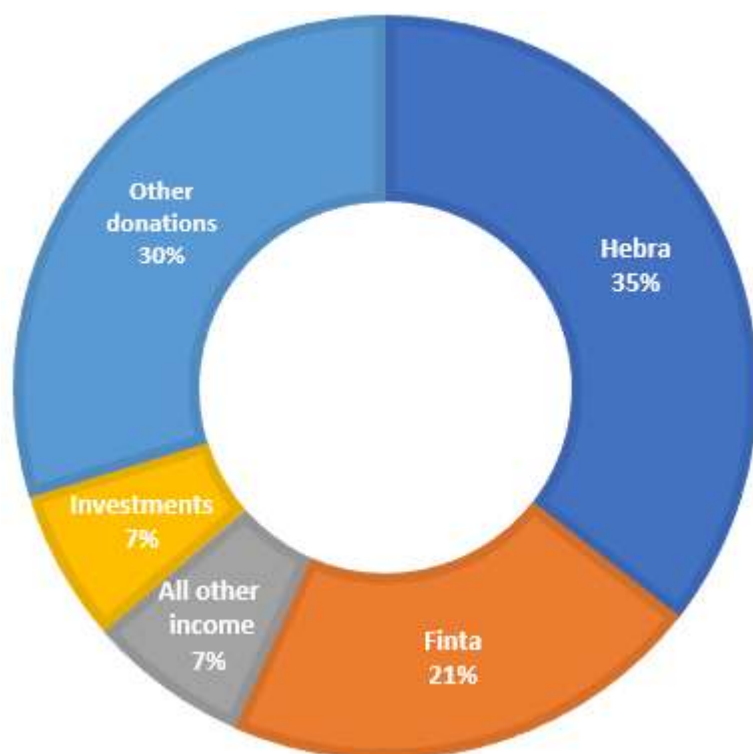
Achievements and performance (continued)

At the same time, and in parallel, the COVID-19 government restrictions also meant all places of worship and our offices closing. Both were initiated with minimum impact on the charity and the office staff were able to set themselves up rapidly at home using existing technology (remote working) that had been proven during our initial office relocation. Within 24-48 hours the entire charity infrastructure was able to continue to operate with minimal to no degradation in service to its members or external parties.

Over the subsequent weeks it became increasingly clear the pandemic would continue for the foreseeable future and we therefore had to plan a different way of working which engaged with the community.

All our programmes and events were moved online and have been online for nearly a year now. The initial uptake was understandably low whilst members of the community who had not previously utilised this technology got used to online platforms. Over the next 6 months the volume of viewers online had steadily grown and remained fairly stable. As synagogues were closed we also moved weekday religious services online and the number of attendees exceeded pre-pandemic levels for service attendance, almost certainly as a direct result of the flexibility and convenience of attending from home.

The end of the summer coincided with planning for our other main busiest period, the New Year and subsequent festival season. Given the previous months the office were able to quickly establish an online support service for the community providing a series of musical presentations prior to the New Year which was deemed a huge success with nearly 1000 viewers taking part, in total, during the series of events. With synagogues being able to partially open the office had to create a new online booking provision to ensure as many members as possible were able to attend synagogue. The vast majority that wanted to attend, did, and given the circumstances it was a fairly successful season culminating in a very positive Kal Nidre appeal which raised more than has been achieved in previous appeals.



**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Achievements and performance (continued)

In the meantime, in parallel, we have started to establish a more international presence by collaborating with sister charities abroad. One specific charity, the Sephardic Brotherhood based out of Queens, New York, is a 100 year old charity with very similar objectives to the S&P Sephardi Community. With a reach across the entire US and with currently in excess of 2000 members, there is a lot of potential opportunity to work together, share good practice and collaborate/partner in a number of ways. Our Senior Rabbi, Joseph Dweck has already initiated this by delivering some online lectures, we have a lot of common ground so there could be the possibility to share not just education but operational services.

Despite a fairly bleak year for obvious reasons, the tail end of the year culminated in some real positive news around the Bevis Marks heritage project. Not only did the project receive the necessary funding from the national lottery heritage fund in order to commence works but by December contractors had been procured and work had commenced, in anger, on site. The expectation is the next 18 months will see the transformation of the site into a living, breathing exhibition, showcasing the significant and substantial impact that the S&P has made to the Jewish community but also to wider society.

Bevis Marks Synagogue during early project development



Other significant achievements include:

1. Completion of internal restructuring, leading to a significant reduction in operational costs and moving the charity from a substantial operating deficit to a near break-even position within 18 months
2. Extending our Hebra (burial) services to include the provision of private burial enclosures for families
3. Continued interest in the new burial scheme including existing S&P members joining the scheme and encouraging members of other synagogues to join (as non-S&P members)
4. Initiated plans to redevelop the Lauderdale Road synagogue flat
5. Completed the first phase of an internal strategic review with trustees with recommendations now being taken forward to include a 'governance refresh'
6. Held a series of significantly successful online events including (1) 'Torah and Tunes' a musical collection recorded for the festival season (2) a series of 'in conversation' with various key internal and external stakeholders and (3) Chanuka cross community lighting events
7. Completed the formal title registration of Bevis Marks Synagogue with HM Land Registry
8. A new 'Habura' online learning programme has been implemented and is being led by our Senior Rabbi, Joseph Dweck. This has regular (weekly) online attendance of students and is expected to be formalised in the coming financial year

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

Achievements and performance (continued)

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 £3,999,110 held as investments (2018/19 £4,261,103) these decreased by £261,993 through the net withdrawal of capital of £54,747 and an downward revaluation of £207,246.

Table of percentage income yields on investment

	Target %	Actual %
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 14 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.

Financial review

a. Review

Total reserves at year end amounted to £10,639,649 (2019: £10,986,385). The year ended 31 October 2020 showed a decrease in unrestricted reserves of £295,872 to £7,214,879 (2019: £7,510,751). Restricted Funds decreased by £47,127 to £558,433 (2019: £605,560). The Endowment fund has decreased by £3,737 to £2,866,337 (2019: £2,870,074), there has been no change to the community's heritage assets during the year.

The total income was £2,429,995 (2019: £2,755,906) a decrease of £325,911.

The total expenditure was £2,525,360 (2019: £2,903,722) a decrease of £378,362.

b. Going concern

After making appropriate enquiries and in light of the COVID-19 pandemic, the roll out of the government vaccine programme and the easing of restrictions in England, 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

c. 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:-

	2020	2019
	£	£
General unrestricted funds	5,521,029	5,718,246
Designated funds	<u>1,693,850</u>	<u>1,792,505</u>
Total	7,214,879	7,510,751
Less tangible assets	(7,015,611)	(7,152,096)
Add back mortgage	1,593,954	1,647,586
Funds available	1,793,222	2,006,241

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.

d. 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 2020

Structure, governance and management

a. Constitution

The governing document of the Congregation (as defined below) is the Ascamot. 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 Ascamot 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. This has its own set of trustees, three of whom are currently also trustees of the S&P Sephardi Trust 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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Structure, governance and management (continued)

b. Organisational structure and decision-making policies

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 Ascamaot 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 Ascamaot 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 Governance Code which was updated in March 2021 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 Ascamaot and this will be considered during the course of the next reporting year.

c. 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.

d. Method of appointment or election of Trustees

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Structure, governance and management (continued)

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. Financial 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 Road 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 2020**

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 focused 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 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.

Following on from the roll out of the government vaccine programme and the easing of restrictions in England, we have recently seen an increase in weddings, which should attract future members to the Community. Due the very recent development in both the change in leadership of the Board of Elders and the departure of the Chief Executive the new leadership team will be reviewing the future developments whilst continuing to focus on the 3 key areas laid out above.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

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;
- (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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

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.

Bank

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

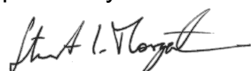
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Stuart Morganstein

Date: 27th August 2021

**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 'charitable company') for the year ended 31 October 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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.

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

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 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 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.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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.

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 members, 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
55 Ludgate Hill
London
EC4M 7JW

Date: 30 August 2021

Crowe U.K. LLP are eligible to act as auditors 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 2020

	Note	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	-	183,860	1,050,486	1,234,346	1,694,570
Charitable activities	5	-	12,310	933,139	945,449	742,358
Investments	6	904	10,941	150,111	161,956	169,007
Other income	7	-	-	88,244	88,244	149,971
Total income and endowments		904	207,111	2,221,980	2,429,995	2,755,906
Expenditure:						
Fundraising and charitable activities	8	-	199,158	2,326,202	2,525,360	2,903,722
Total expenditure		-	199,158	2,326,202	2,525,360	2,903,722
Net (losses)/gains on investments		(3,737)	(45,230)	(158,279)	(207,246)	112,358
Net expenditure		(2,833)	(37,277)	(262,501)	(302,611)	(35,458)
Transfers	19	(904)	(9,850)	10,754	-	-
Net movement in funds before other recognised gains/(losses)		(3,737)	(47,127)	(251,747)	(302,611)	(35,458)
(Losses)/gains on revaluation of fixed assets		-	-	(44,125)	(44,125)	160,447
Net movement in funds		(3,737)	(47,127)	(295,872)	(346,736)	124,989
Reconciliation of funds:						
Total funds brought forward		2,870,074	605,560	7,510,751	10,986,385	10,861,396
Total funds carried forward		2,866,337	558,433	7,214,879	10,639,649	10,986,385

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 48 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	7,015,612	7,152,096
Heritage assets	12	2,815,790	2,815,790
Investments	14	3,999,110	4,261,103
		13,830,512	14,228,989
Current assets			
Debtors	15	370,412	367,939
Cash at bank and in hand		757,554	441,513
		1,127,966	809,452
Creditors: amounts falling due within one year	16	(1,162,054)	(2,678,853)
Net current liabilities		(34,088)	(1,869,401)
Total assets less current liabilities		13,796,424	12,359,588
Creditors: amounts falling due after more than one year	17	(1,500,042)	-
Provisions for liabilities	18	(1,656,733)	(1,373,203)
Total net assets		10,639,649	10,986,385
Charity funds			
Endowment funds	19	2,866,337	2,870,074
Restricted funds	19	558,433	605,560
Unrestricted funds	19	7,214,879	7,510,751
Total funds		10,639,649	10,986,385

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 and signed on their behalf by:

Stuart Morganstein

Date: 27th August 2021

Elliot Arwas

The notes on pages 23 to 48 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	174,237	<i>(382,010)</i>
Cash flows from investing activities		
Dividends, interests and rents from investments	161,956	<i>169,007</i>
Purchase of tangible fixed assets	(21,267)	<i>(131,052)</i>
Proceeds from sale of investments	75,000	<i>555,000</i>
Purchase of investments	(20,253)	<i>(28,956)</i>
Net cash provided by investing activities	195,436	563,999
Cash flows from financing activities		
Repayments of borrowing	(53,632)	<i>(48,006)</i>
Net cash used in financing activities	(53,632)	(48,006)
Change in cash and cash equivalents in the year	316,041	133,983
Cash and cash equivalents at the beginning of the year	441,513	<i>307,530</i>
Cash and cash equivalents at the end of the year	757,554	<i>441,513</i>

The notes on pages 23 to 48 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

1. General 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

2. Accounting policies

2.1 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.

2.2 Going concern

At the time of approving the accounts and in light of the COVID-19 pandemic, the roll out of the government vaccine programme and the easing of restrictions in England, 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.

2.3 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 2020

2. Accounting policies (continued)

2.4 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 - 67%
- Educational and programme activities - 30%

2.5 Government grants

Government Grants are recognised on the performance model, when the charity has complied with any conditions attached to the grant and the grant will be received. The grant in connection to the Coronavirus Job Retention Scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Depreciation is provided on the following bases:

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.

2.7 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 12 to the accounts.

2.8 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.

2.9 Cash at bank and in hand

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

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.11 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.

2.12 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.

2.13 Pensions

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

2. Accounting policies (continued)

2.14 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.

2.15 Fund accounting

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.

2.16 Constituent Synagogues

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

3. 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.

Critical accounting estimates and assumptions:

- 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

4. Income from donations and grants

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations				
Finta	74,997	437,806	512,803	483,915
Synagogue donations	-	126,641	126,641	113,108
Other donations	260	165,406	165,666	457,750
Appeals	-	192,836	192,836	259,323
Gift Aid recovered	-	106,948	106,948	127,048
Grants receivable	108,603	20,849	129,452	245,426
Legacies	-	-	-	8,000
Total	183,860	1,050,486	1,234,346	1,694,570

5. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hebra Income	-	864,195	864,195	658,908
Educational and programme activities	12,310	12,269	24,579	42,525
Marriages	-	19,075	19,075	28,175
Beth Din	-	37,600	37,600	12,750
	12,310	933,139	945,449	742,358

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

6. Investment income

	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental income	-	-	111,587	111,587	100,784
Distributions from Common Investment Fund	904	10,941	38,293	50,138	67,827
Interest receivable	-	-	231	231	396
	<u>904</u>	<u>10,941</u>	<u>150,111</u>	<u>161,956</u>	<u>169,007</u>

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Room Hire	7,205	7,205	17,370
Administration fees	58,150	58,150	54,600
Beavis Marks Visitor income	4,464	4,464	22,349
Other income	18,425	18,425	55,652
	<u>88,244</u>	<u>88,244</u>	<u>149,971</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

8. Expenditure

	Staff costs 2020 £	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising					
Fundraising & Marketing	-	11,970	35,164	47,134	47,939
	-	11,970	35,164	47,134	47,939
Charitable activities					
Synagogues & Ecclesiastical	511,963	202,478	914,495	1,628,936	2,089,091
Hebra	-	405,100	-	405,100	392,273
Educational and programme activities	-	22,114	422,076	444,190	374,419
	511,963	641,662	1,371,735	2,525,360	2,903,722
<i>Total 2019</i>	<i>619,624</i>	<i>1,100,168</i>	<i>1,183,930</i>	<i>2,903,722</i>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

9. Support costs

	Fundraising 2020 £	Synagogue & Ecclesiastical 2020 £	Educational & Programme activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	12,411	322,689	148,933	484,033	490,064
Property	4,655	121,032	55,861	181,548	193,829
Other staff costs	1,388	36,099	16,661	54,148	121,862
Office supplies	2,307	59,983	27,685	89,975	114,300
Insurance	1,050	27,288	12,594	40,932	39,093
Professional fees	1,244	32,345	14,929	48,518	114,412
Accountancy	87	2,254	1,040	3,381	3,691
Provisions	7,270	189,020	87,240	283,530	(69,369)
Bank & interest	1,114	28,970	13,371	43,455	56,859
Governance	681	17,713	8,175	26,569	20,189
Other	43	1,347	622	2,012	1,649
Depreciation	2,914	75,755	34,965	113,634	97,351
	35,164	914,495	422,076	1,371,735	1,183,930
<i>Total 2019</i>	28,876	866,286	288,768	1,183,930	

Governance costs include:

	2020 £	2019 £
Auditors Remuneration - audit	15,650	15,350
Auditors Remuneration - other services	2,550	2,550
	18,200	17,900

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

10. Staff costs

	2020	<i>2019</i>
	£	£
Wages and salaries	878,983	981,224
Social security costs	95,647	111,418
Contribution to defined contribution pension schemes	21,366	17,045
	995,996	1,109,687

Included within wages and salaries are payments totaling £1,763 (2018: £35,841) which relate to exgratia 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 Company during the year was as follows:

	2020	<i>2019</i>
	No.	<i>No.</i>
Ecclesiastical staff	13	15
Hebra	1	1
Administration and support staff	11	12
Chedder teachers (term time only)	6	5
	31	33

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	<i>2019</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	1	-
In the band £160,001 - £170,000	-	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 £224,380 (2019: £277,591).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 October 2020, no Trustee expenses have been incurred (2019 - £NIL).

12. Heritage assets

Assets recognised at cost

	Heritage assets 2020 £
Carrying value at 1 November 2019	2,815,790
	<hr/> 2,815,790 <hr/>

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 2020

13. Tangible fixed assets

	Freehold land & buildings £	Leasehold land & buildings £	Fixtures, fittings & equipment £	Total £
Cost or valuation				
At 1 November 2019	6,528,666	550,000	224,717	7,303,383
Additions	-	-	21,269	21,269
Revaluations	(143,666)	-	-	(143,666)
At 31 October 2020	<u>6,385,000</u>	<u>550,000</u>	<u>245,986</u>	<u>7,180,986</u>
Depreciation				
At 1 November 2019	65,541	-	85,746	151,287
Charge for the year	52,500	10,995	50,133	113,628
On revalued assets	(99,541)	-	-	(99,541)
At 31 October 2020	<u>18,500</u>	<u>10,995</u>	<u>135,879</u>	<u>165,374</u>
Net book value				
At 31 October 2020	<u>6,366,500</u>	<u>539,005</u>	<u>110,107</u>	<u>7,015,612</u>
At 31 October 2019	<u>6,463,125</u>	<u>550,000</u>	<u>138,971</u>	<u>7,152,096</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

13. Tangible fixed assets (continued)

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. In 2019, these properties were revalued by an independent valuer, by a member of MNAEA, a member of the estate agents association.

At year end, 3 Vale Close was revalued to fair value by an independent valuer, by a member of MNAEA, a member of the estate agents association
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

Bevis Marks Synagogue
Lauderdale Road Synagogue
Holland Park Synagogue
Wembley Synagogue

Burial Grounds

Nuevo Burial Ground
Velho Burial Ground
Brentwood Burial Ground

Other Freehold Properties

Edinburgh House

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

14. Fixed asset investments

	Investment in Common Investment Fund £	Investment property £	Total £
Cost or valuation			
At 1 November 2019	2,666,103	1,595,000	4,261,103
Additions	20,253	-	20,253
Disposals	(75,000)	-	(75,000)
Revaluations	(207,246)	-	(207,246)
At 31 October 2020	2,404,110	1,595,000	3,999,110
Net book value			
At 31 October 2020	2,404,110	1,595,000	3,999,110
<i>At 31 October 2019</i>	<i>2,666,103</i>	<i>1,595,000</i>	<i>4,261,103</i>

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).

15. Debtors

	2020 £	2019 £
Trade debtors	280,622	278,459
Amounts due from Common Investment Fund	50,841	43,205
Other debtors	14,196	14,329
Prepayments and accrued income	13,885	15,744
Gift Aid recoverable	10,868	16,202
	370,412	367,939

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	93,912	1,647,586
Trade creditors	23,144	35,965
Other taxation and social security	34,749	35,282
Other creditors	36,811	40,464
Accruals and deferred income	973,438	919,556
	<u>1,162,054</u>	<u>2,678,853</u>

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

	2020 £	2019 £
Deferred income at 1 November 2019	820,671	872,128
Resources deferred during the year	222,872	116,216
Amounts released from previous periods	(127,235)	(167,673)
	<u>916,308</u>	<u>820,671</u>

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

	2020 £	2019 £
Bank loans	1,500,042	-

In 2018 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

18. Provisions

	Provisions £
At 1 November 2019	1,373,203
Additions	283,530
	<u>1,656,733</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 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 November 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2020 £
Designated						
Beth Haim Reserve	1,755,173	901,455	(405,100)	(434,275)	(154,020)	1,663,233
Nuevo Fund	31,769	600	-	-	(2,482)	29,887
Heneage Lane Endowment	4,583	194	(3,974)	-	(803)	-
Honorary Hazenut Fund	980	-	(4,000)	3,750	-	730
	<u>1,792,505</u>	<u>902,249</u>	<u>(413,074)</u>	<u>(430,525)</u>	<u>(157,305)</u>	<u>1,693,850</u>
 General funds	 5,718,246	 1,319,731	 (1,913,128)	 441,279	 (45,099)	 5,521,029
Total Unrestricted funds	<u>7,510,751</u>	<u>2,221,980</u>	<u>(2,326,202)</u>	<u>10,754</u>	<u>(202,404)</u>	<u>7,214,879</u>
 Endowment						
Heritage assets	2,815,790	-	-	-	-	2,815,790
Sephardi Endowment fund	54,284	904	-	(904)	(3,737)	50,547
	<u>2,870,074</u>	<u>904</u>	<u>-</u>	<u>(904)</u>	<u>(3,737)</u>	<u>2,866,337</u>
 Restricted						
Abraham Valencia Holy Books Fund	115,379	2,195	(3,183)	-	(9,067)	105,324
Norma Levy Memorial Fund	5,079	114	-	-	(470)	4,723
Raphael de Sola Hazanut Fund	40,755	770	(15,000)	-	(3,184)	23,341
Religious Education Fund	59,520	15,177	(25,845)	-	(6,416)	42,436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

19. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 November 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2020 £
Richard Barnett Memorial Lecture Fund	23,482	455	-	-	(1,879)	22,058
Tombstone Fund	223,866	4,252	-	-	(17,579)	210,539
Violet Reuben Fund	20,915	395	-	-	(1,634)	19,676
Wembley Building Fund	61,024	1,197	-	-	(4,948)	57,273
Other Restricted funds	10,953	-	-	(9,850)	-	1,103
Special Contingency Fund	676	12	(635)	-	(53)	-
Lauderdale Young Family Fund	21,911	1,945	(3,323)	-	-	20,533
Rothschild Digital Archive Fund	15,000	15,000	(18,271)	-	-	11,729
Lauderdale Synagogue Shamash Fund	6,000	-	(6,000)	-	-	-
Vera Goodman Book Fund	1,000	-	(1,000)	-	-	-
Community Security Trust	-	38,103	(38,103)	-	-	-
Brandon Endowment - Bevis Marks Rabbi	-	30,000	(30,000)	-	-	-
Brandon Endowment - Events	-	17,500	(17,500)	-	-	-
Security Levy	-	74,996	(35,298)	-	-	39,698
Montefiore Torah Scholar	-	5,000	(5,000)	-	-	-
	605,560	207,111	(199,158)	(9,850)	(45,230)	558,433
Total of funds	10,986,385	2,429,995	(2,525,360)	-	(251,371)	10,639,649

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2019 £
Unrestricted						
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
	<u>1,660,626</u>	<u>710,978</u>	<u>(417,338)</u>	<u>(238,225)</u>	<u>76,464</u>	<u>1,792,505</u>
General 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						
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>
Restricted						
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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

19. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 October 2019 £
Wembley Building Fund	67,768	1,686	(11,213)	-	2,783	61,024
Other Restricted funds	1,103	9,850	-	-	-	10,953
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
Lauderdale Synagogue Shamash Fund	-	9,000	(3,000)	-	-	6,000
Vera Goodman Book Fund	-	1,000	-	-	-	1,000
Heritage Roof Fund	24,056	289,849	(313,905)	-	-	-
Security Levy	-	36,268	(36,268)	-	-	-
Community Security Trust	-	56,311	(56,311)	-	-	-
Brandon Endowment	-	30,000	(30,000)	-	-	-
Montefiore Torah Scholar Fund	-	10,000	(10,000)	-	-	-
	<u>575,495</u>	<u>510,310</u>	<u>(502,828)</u>	<u>-</u>	<u>22,583</u>	<u>605,560</u>
Total of funds	<u>10,861,396</u>	<u>2,755,906</u>	<u>(2,903,722)</u>	<u>-</u>	<u>272,805</u>	<u>10,986,385</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

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 £434,275 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 2020

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	7,015,612	7,015,612
Fixed asset investments	42,981	495,153	3,460,976	3,999,110
Heritage assets	2,815,790	-	-	2,815,790
Current assets	7,566	63,280	1,057,120	1,127,966
Creditors due within one year	-	-	(1,162,054)	(1,162,054)
Creditors due in more than one year	-	-	(1,500,042)	(1,500,042)
Provisions for liabilities and charges	-	-	(1,656,733)	(1,656,733)
Total	2,866,337	558,433	7,214,879	10,639,649

Analysis of net assets between funds - prior period

	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	7,569	40,084	-	761,799	809,452
Creditors due within one year	-	-	(174,206)	(2,504,645)	(2,678,851)
Provisions for liabilities and charges	-	-	-	(1,373,203)	(1,373,203)
Total	2,870,076	605,560	1,792,505	5,718,246	10,986,387

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(302,611)	(35,458)
Adjustments for:		
Depreciation charges	113,628	97,344
Gains/(losses) on investments	207,246	(112,358)
Dividends, interests and rents from investments	(161,956)	(169,007)
Increase in debtors	(2,473)	(83,324)
Increase/(decrease) in creditors	36,873	(9,654)
Increase/(decrease) in provisions	283,530	(69,553)
Net cash provided by/(used in) operating activities	174,237	(382,010)

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	757,554	441,513

23. Analysis of changes in net debt

	At 1 November 2019 £	Cash flows £	Other non- cash changes £	At 31 October 2020 £
Cash at bank and in hand	441,513	316,041	-	757,554
Debt due within 1 year	(1,647,586)	53,632	1,500,042	(93,912)
Debt due after 1 year	-	-	(1,500,042)	(1,500,042)
	(1,206,073)	369,673	-	(836,400)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

24. 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 2020 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Nursery - Operating Lessee		
Within 1 year	45,000	37,877
Between 1 and 5 years	180,000	180,000
After more than 5 years	151,027	196,027
	<u>376,027</u>	<u>413,904</u>
	2020 £	2019 £
Hendon - Operating Lessor		
Within 1 year	42,000	42,000
Between 1 and 5 years	168,000	168,000
After more than 5 years	143,605	185,605
	<u>353,605</u>	<u>395,605</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

25. Related party transactions

As at 31 October 2020, the Spanish and Portuguese Jews' Synagogue was owed £49,654 (2019: £43,205) 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 2020 and 31 October 2019. Investment income received during the year from those investments amounted to £20,253 (2019: £24,622). During the year £21,000 (2019: £20,000) was charged for administrative services from the Spanish and Portuguese Jews' Synagogues and this balance was outstanding at year end (2019: nil).

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 (2019: £54,600). At 31 October 2020 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 £6,500 (2019: £6,282). 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 £Nil (2019: £100). The transactions were considered to be conducted at arms length.

In the year ended 31 October 2020 the Spanish and Portuguese Jews' Synagogue made a grant of £4,000 to the Bevis Marks Synagogue Heritage Foundation (an associated entity of the Spanish and Portuguese Jews' Synagogue with common trustees).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

26. Prior year Statement of Financial Activities

	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