

Beis Soroh Schenierer Seminary
Financial Statements
31 December 2020

HAFFNER HOFF LTD

Accountants & statutory auditor
2nd Floor - Parkgates
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Beis Soroh Schenierer Seminary

Financial Statements

Year ended 31 December 2020

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Beis Soroh Schenierer Seminary

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name Beis Soroh Schenierer Seminary

Charity registration number 1007489

Principal office 472 - 474 Bury New Road
Salford
M7 4NU

The trustees

J Eckstein
M Halpern
D Olsberg

Auditor Haffner Hoff Ltd
Accountants & statutory auditor
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Bankers NatWest
463 Bury New Road
Prestwich
Manchester
M25 1AB

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

Beis Soroh Schenierer Seminary is constituted under a trust deed dated 17 December 1991. It is a registered charity with a charity number being 1007489.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under the Charities Act, the committee, decision making processes, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The day to day affairs are managed by the principal and his dedicated team who oversee the governance and management of the seminary. They report to the trustees on a regular basis.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The principal risks are financial including items such as bad debts as well as reduction in student numbers and loss of grants receivable. The trustees plan to manage these risks by regular and rigorous review of debtors as well as maintaining a high standard of education and governance of the seminary to ensure it has a good reputation worldwide. Most grants receivable are linked to the associated expenditure such that if the grants would cease to be payable then the associated security costs would cease too.

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

The objects of the charity are the advancement of Jewish religion and education by the establishment of a college of learning.

The trustees confirm that they have referred to the guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The trustees consider they have met the public benefit test and outline these achievements below.

Grant making policy

The charity does not normally pay out any grants as it operates a college and the charitable activity is normally directly charitable.

If the charity would pay out any grants it would be in line with the objects as stated above.

Achievements and performance

The charity recorded £1,017,065 in voluntary contributions, registration fees and other income during the year as well as £64,722 in donations and £76,658 in grants receivable as well as the CST security grant amounting to £104,947. This is in addition to the JRS income of £136,816.

The charity paid out £1,306,006 on running costs of the college including instruction & other direct management costs and support costs. This expenditure was made in line with the stated objects of the charity. The college had a student roll of 195 girls on average for the 12 months.

The charity had low governance costs comprising professional fees.

There were no investments made during the year.

There were no fundraising costs incurred during the year.

Related party transactions are recorded as applicable in the notes to the accounts.

There was an overall net income and net movement in funds for the year amounting to £94,202. The unrestricted fund had a gain of £129,922 whereas the restricted fund had a loss of £35,720.

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial review

Review of activities and achievements

The year ending December '20 has been filled with achievement and academic progress at the Seminary. Our inspections and reports issued by the Schools Inspection Service and the quality control monitoring of the Manchester College provides us with the reassurance that the Seminary is continuing to deliver the highest quality education and training for all our students.

The need to further improve the bathrooms, décor and flooring of our premises has resulted in a successful bid for funding. As a result, improvements and building work has been completed this year and is greatly admired by staff and students alike. The trustees wish to thank all those whose generosity has made this possible.

The Seminary has been invited to various educational venues in the UK and abroad in order to provide alumni and prospective students with an opportunity to reconnect with the Seminary staff and discover more about the valuable and inspiring Seminary experience that is available to all future students who are fortunate enough to satisfy the rigorous selection process for the Seminary.

Several high schools have requested a visit from the Seminary Principal in order to deliver a presentation to the school leavers and to make them aware of the unique benefits to be gained from going to BSS.

The trustees are delighted to announce the appointment of two new, dynamic, younger lecturers who have now joined the eminent team who have served on the Academic Faculty for number of years. Their reputation and the major success that they have shown since joining the staff are greatly appreciated by the student body.

The free reserves, being the net current assets of the charity, stand at £288,803, all of which are attributable to the unrestricted fund.

True and fair override

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charities governing document, The Charities Act 2011 and the relevant version of the 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).

Coronavirus

The impact of coronavirus on the charity is that the seminary was operating remotely. The girls had been listening to both live and recorded lessons by phone each day. The trustees consider that going concern is not an issue as the parents have been encouraged to continue with their voluntary contributions. Additionally, the JRS has been utilised and staff furloughed as applicable. Everyone associated with the school has been working extremely hard to ensure the smooth running of the organisation during this unprecedented situation.

Currently, coronavirus restrictions are almost over.

Plans for future periods

The charity will continue to provide education in line with the Trust Deed.

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 31 January 2022 and signed on behalf of the board of trustees by:

M Halpern
Trustee

Beis Soroh Schenierer Seminary

Independent Auditor's Report to the Trustees of Beis Soroh Schenierer Seminary

Year ended 31 December 2020

Opinion

We have audited the financial statements of Beis Soroh Schenierer Seminary (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, statement of financial position, 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 FRS 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 charity's affairs as at 31 December 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;
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Beis Soroh Schenierer Seminary

Independent Auditor's Report to the Trustees of Beis Soroh Schenierer Seminary *(continued)*

Year ended 31 December 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Beis Soroh Schenierer Seminary

Independent Auditor's Report to the Trustees of Beis Soroh Schenierer Seminary *(continued)*

Year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Auditor's approach to assessing the risks of material misstatement due to irregularities, including fraud. Detail of the auditor's approach to assessing the risks of material misstatement due to fraud and NOCLAR.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to including: -

Charity Act 2011 - as this entity is a charity;

Health and Safety Regulations - as the charity has a kitchen and a hall;

Food hygiene - as above;

AML provisions - inherent with all organisations.

FRS 102 reporting framework.

Data protection

CJRS

The following particular considerations in respect of fraud were assessed. We assessed the risks of material misstatement in respect of fraud as follows:

Reviewed unusual or large transactions;

Complex transactions if applicable;

Analytical procedures;

One off transactions.

We made fraud enquiries during the audit from: -

Management;

those charged with governance;

other analytical procedures to identify any unusual or unexpected relationships;

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Independent Auditor's Report to the Trustees of Beis Soroh Schenierer Seminary *(continued)*

Year ended 31 December 2020

the audit team discussions to identify particular areas to misstatement or fraud;

the audit team attempted to identify any fraud risk factors in its discussion of related party relationships and transactions (ISA (UK) 550;

legal counsel as applicable;

Audit procedures designed to respond to the risks of NOCLAR.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Reviewing the entity's policies and procedures for compliance with those laws and regulations based on our knowledge of the client and the regulations.

Follow up of all suspected non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud that will be fully documented.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Beis Soroh Schenierer Seminary

Independent Auditor's Report to the Trustees of Beis Soroh Schenierer Seminary *(continued)*

Year ended 31 December 2020

The firm is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of The Companies Act 2006.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

Haffner Hoff Ltd
Accountants & statutory auditor

31 January 2022

Beis Soroh Schenierer Seminary

Statement of Financial Activities

Year ended 31 December 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	213,392	169,751	383,143	323,953
Other trading activities	5	11,981	–	11,981	1,975
Other income	6	1,005,084	–	1,005,084	1,078,633
Total income		<u>1,230,457</u>	<u>169,751</u>	<u>1,400,208</u>	<u>1,404,561</u>
Expenditure					
Expenditure on charitable activities	7,8	1,100,535	205,471	1,306,006	1,373,363
Total expenditure		<u>1,100,535</u>	<u>205,471</u>	<u>1,306,006</u>	<u>1,373,363</u>
Net income and net movement in funds		<u>129,922</u>	<u>(35,720)</u>	<u>94,202</u>	<u>31,198</u>
Reconciliation of funds					
Total funds brought forward		1,858,724	35,720	1,894,444	1,863,247
Total funds carried forward		<u>1,988,646</u>	<u>–</u>	<u>1,988,646</u>	<u>1,894,444</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 25 form part of these financial statements.

Beis Soroh Schenierer Seminary

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	14	3,061,598	3,099,970
Investments	15	2	2
		<u>3,061,600</u>	<u>3,099,972</u>
Current assets			
Stocks	16	4,758	4,000
Debtors	17	424,068	368,151
Cash at bank and in hand		54,578	27,794
		<u>483,404</u>	<u>399,945</u>
Creditors: amounts falling due within one year	19	<u>194,601</u>	<u>228,311</u>
Net current assets		<u>288,803</u>	<u>171,634</u>
Total assets less current liabilities		<u>3,350,403</u>	<u>3,271,606</u>
Creditors: amounts falling due after more than one year	20	<u>1,361,757</u>	<u>1,377,161</u>
Net assets		<u><u>1,988,646</u></u>	<u><u>1,894,445</u></u>
Funds of the charity			
Restricted funds		–	35,720
Unrestricted funds		<u>1,988,646</u>	<u>1,858,724</u>
Total charity funds	22	<u><u>1,988,646</u></u>	<u><u>1,894,444</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 31 January 2022, and are signed on behalf of the board by:

M Halpern
Trustee

The notes on pages 14 to 25 form part of these financial statements.

Beis Soroh Schenierer Seminary

Statement of Cash Flows

Year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net income		94,202	31,198
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		38,372	51,054
Accrued expenses/(income)		2,400	(5,111)
<i>Changes in:</i>			
Stocks		(758)	(4,000)
Trade and other debtors		(55,917)	(9,317)
Trade and other creditors		(36,182)	11,729
Cash generated from operations		42,117	75,553
Net cash from operating activities		42,117	75,553
Cash flows from financing activities			
Proceeds from borrowings		(15,333)	(60,110)
Net cash used in financing activities		(15,333)	(60,110)
Net increase in cash and cash equivalents		26,784	15,443
Cash and cash equivalents at beginning of year		27,794	12,351
Cash and cash equivalents at end of year	18	54,578	27,794

The notes on pages 14 to 25 form part of these financial statements.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 472 - 474 Bury New Road, Salford, M7 4NU.

2. Statement of compliance

The accounts (financial statements) have been prepared in accordance with the relevant version of the 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) and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Consolidation

The consolidated financial statements are no longer applicable as the subsidiary undertaking of Teacher Training Company Ltd is fully dormant and no longer active.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported except for bad debts and the provision provided for them.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are those available for use for general purposes at the discretion of the charity trustees and governors in furtherance of the charity's objects.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- voluntary contributions and registration fees receivable, relate to parental contribution and are accounted for, where there is evidence of entitlement and can be measured reliably.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation. The basis of fair value is as compared to similar properties in the area.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	- 25% reducing balance
Computer equipment	- 20% reducing balance

There is no depreciation charge for Land and Buildings in the year. This is a departure from the Companies Act 2006 requirement to depreciate all fixed assets. The trustees consider this departure appropriate to reflect a true and fair view on the basis that the building is maintained to a high standard.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	64,722	–	64,722
Grants			
Grants receivable	10,000	66,658	76,658
C S T security grants	1,854	103,093	104,947
JRS grants	136,816	–	136,816
	<u>213,392</u>	<u>169,751</u>	<u>383,143</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	107,257	–	107,257

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Grants			
Grants receivable	—	66,658	66,658
C S T security grants	—	150,038	150,038
JRS grants	—	—	—
	<u>107,257</u>	<u>216,696</u>	<u>323,953</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other income: Courses	<u>11,981</u>	<u>11,981</u>	<u>1,975</u>	<u>1,975</u>

6. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Voluntary contributions	989,180	989,180	1,057,875	1,057,875
Registration fees	<u>15,904</u>	<u>15,904</u>	<u>20,758</u>	<u>20,758</u>
	<u>1,005,084</u>	<u>1,005,084</u>	<u>1,078,633</u>	<u>1,078,633</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Running costs of the college including instruction & other direct management costs	780,989	66,658	847,647
Support costs	<u>319,546</u>	<u>138,813</u>	<u>458,359</u>
	<u>1,100,535</u>	<u>205,471</u>	<u>1,306,006</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Running costs of the college including instruction & other direct management costs	921,564	68,309	989,873
Support costs	<u>237,862</u>	<u>145,629</u>	<u>383,490</u>
	<u>1,159,426</u>	<u>213,938</u>	<u>1,373,363</u>

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Running costs of the college including instruction & other direct management costs	847,647	445,981	1,293,628	1,365,862
Governance costs	—	12,378	12,378	7,501
	<u>847,647</u>	<u>458,359</u>	<u>1,306,006</u>	<u>1,373,363</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2020 £	Total 2019 £
Staff costs	245,609	245,609	164,778
Premises	138,813	138,813	145,629
General office	13,284	13,284	15,695
Finance costs	48,274	48,274	49,887
Governance costs	12,380	12,380	7,500
	<u>458,360</u>	<u>458,360</u>	<u>383,489</u>

10. Net income

Net income is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	38,372	51,054
Foreign exchange differences	—	4,000

11. Auditors remuneration

	2020 £	2019 £
Fees payable for the audit of the financial statements	4,500	4,500
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	5,400	3,000

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	577,023	593,529
Social security costs	25,473	26,430
Employer contributions to pension plans	10,699	11,146
	<u>613,195</u>	<u>631,105</u>

The average head count of employees during the year was 28 (2019: 29). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Faculty	12	12
Office	6	6
Kitchen & domestic	10	11
	<u>28</u>	<u>29</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees or expenses reimbursed by the trustees.

14. Tangible fixed assets

	Land and buildings £	Equipment £	Computer equipment £	Total £
Cost / valuation				
At 1 January 2020 and 31 December 2020	<u>2,945,224</u>	<u>516,306</u>	<u>186,392</u>	<u>3,647,922</u>
Depreciation				
At 1 January 2020	–	367,864	180,088	547,952
Charge for the year	–	37,111	1,261	38,372
At 31 December 2020	<u>–</u>	<u>404,975</u>	<u>181,349</u>	<u>586,324</u>
Carrying amount				
At 31 December 2020	<u>2,945,224</u>	<u>111,331</u>	<u>5,043</u>	<u>3,061,598</u>
At 31 December 2019	<u>2,945,224</u>	<u>148,442</u>	<u>6,304</u>	<u>3,099,970</u>

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Tangible fixed assets *(continued)*

The value of the freehold property was assessed by the trustees during the year that was based on a professional valuation. They do not consider there to be any impairment or diminution in value. The carrying value is the fair value.

The freehold property is legally owned by Teachers Training Company Ltd, the dormant subsidiary of the Beis Soroh Scheneirer Seminary. Beneficial ownership as well as all risks and rewards of the property are vested with the Beis Soroh Scheneirer Seminary.

15. Investments

	Shares in group undertaking s £
Cost or valuation	
At 1 January 2020 and 31 December 2020	<u>2</u>
Impairment	
At 1 January 2020 and 31 December 2020	<u>-</u>
Carrying amount	
At 31 December 2020	<u>2</u>
At 31 December 2019	<u>2</u>

All investments shown above are held at valuation.

16. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>4,758</u>	<u>4,000</u>

17. Debtors

	2020 £	2019 £
Trade debtors	395,750	350,685
Prepayments and accrued income	24,237	17,466
Other debtors	4,081	-
	<u>424,068</u>	<u>368,151</u>

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2020	2019
	£	£
Cash at bank and in hand	54,578	27,794
Bank overdrafts	(27)	–
	<u>54,551</u>	<u>27,794</u>

19. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	15,520	15,448
Trade creditors	84,111	110,802
Accruals and deferred income	9,900	7,500
Social security and other taxes	9,295	9,471
Other creditors	75,775	85,090
	<u>194,601</u>	<u>228,311</u>

20. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	<u>1,361,757</u>	<u>1,377,161</u>

The bank loan is repayable over 25 years at an interest rate of 3.5% above base rate and is secured on the freehold property of the charity.

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,699 (2019: £11,146).

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

22. Analysis of charitable funds

Unrestricted funds

	At 01 Jan 2020 £	Income £	Expenditure £	At 31 Dec 2020 £
General funds	<u>1,858,724</u>	<u>1,230,457</u>	<u>(1,100,535)</u>	<u>1,988,646</u>

	At 01 Jan 2019 £	Income £	Expenditure £	At 31 Dec 2019 £
General funds	<u>1,830,285</u>	<u>1,187,865</u>	<u>(1,159,426)</u>	<u>1,858,724</u>

Restricted funds

	At 01 Jan 2020 £	Income £	Expenditure £	At 31 Dec 2020 £
Restricted fund - grants receivable	<u>35,720</u>	<u>169,751</u>	<u>(205,471)</u>	<u>-</u>

	At 01 Jan 2019 £	Income £	Expenditure £	At 31 Dec 2019 £
Restricted fund - grants receivable	<u>32,962</u>	<u>216,696</u>	<u>(213,938)</u>	<u>35,720</u>

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	3,061,598	–	3,061,598
Investments	2	–	2
Current assets	483,404	–	483,404
Creditors less than 1 year	(194,601)	–	(194,601)
Creditors greater than 1 year	(1,361,757)	–	(1,361,757)
Net assets	1,988,646	–	1,988,646

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	3,099,970	–	3,099,970
Investments	2	–	2
Current assets	360,224	35,720	395,944
Creditors less than 1 year	(268,973)	–	(268,973)
Creditors greater than 1 year	(1,332,499)	–	(1,332,499)
Net assets	1,858,724	35,720	1,894,444

24. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash at bank and in hand	27,794	26,784	54,578
Bank overdrafts	–	(27)	(27)
Debt due within one year	(15,448)	(45)	(15,493)
Debt due after one year	(1,377,161)	15,404	(1,361,757)
	(1,364,815)	42,116	(1,322,699)

25. Related parties

Mr Mordecai Halpern, a trustee of Beis Soroh Schenierer Seminary, has an outstanding debt owing to him from the Seminary. At the year end the figure was £5,000. There was no movement during the year.

26. Taxation

Beis Soroh Schenierer Seminary is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.