

CHARITY REGISTRATION NUMBER: 1007489

Beis Soroh Schenierer Seminary
Financial Statements
31 December 2022

HAFFNER HOFF LTD

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

Beis Soroh Schenierer Seminary

Financial Statements

Year ended 31 December 2022

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Beis Soroh Schenierer Seminary

Trustees' Annual Report

Year ended 31 December 2022

The trustees present their report and the financial statements of the charity for the year ended 31 December 2022.

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 B 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 2022

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 2022

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 £1,008,006 in voluntary contributions, registration fees and other income during the year (2021: £937,787), £135,428 in donations (2021: £146,950), £75,824 in general grants (2021: £89,687), £20,000 in camp income (2021: £16,000) as well as the CST security grant amounting to £141,846 (2021: £133,456). In 2022 there was no JRS income (2021: £25,867).

Fundraising income amounted to £3708 during the year, (2021:266,425).

The charity paid out £1,366,958 on running costs of the college including instruction & other direct management costs and support costs (2021: £1,528,008). This expenditure was made in line with the stated objects of the charity. The college had a student roll of 160 girls on average for the 12 months.

The charity had low governance costs comprising professional fees.

There were no investments made during the year.

Fundraising costs incurred during the year are as detailed in the notes to the accounts.

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

In 2022 there was overall net income and a net movement in funds in the year amounting to £17,854 (2021: £22,215)

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Financial review

Review of activities and achievements

As we reflect on the Seminary and its progress in the year ending December 2022, we feel a great sense of gratitude and appreciation to the Staff and management of the Seminary.

There have been many significant advances this year. Our examination results and the academic achievement of our students greatly impressed the inspectors who spent several days in the Seminary in order to provide oversight for the Home Office visa department.

The UKVI have now confirmed our TIER 3 status which enables foreign students to study at the Seminary. This requires the continued accreditation of our Jewish Studies courses and staff have been heavily involved in the additional requirements that relate to achieving qualifications that are recognised by the accreditation authority.

The partnership for provision of vocational and academic courses in the afternoon has been transferred from the Manchester College to Salford City College. This was as a result of negotiations between the CEO of the College and Rabbi Marmorstein. The Salford City College have provided new IT equipment throughout the Seminary and the Manchester College has purchased the portacabins from SIBCAS which were rented until now. They have now been given to the Seminary as a gift by the Manchester College following successful negotiations on behalf of the Sem by the Sem Principal and the Head of Centre - Mrs Pearl.

In September improved quality of the intake is largely due to the efforts of the Sem staff and in particular the two matrons and the Principal who have reached out to the schools and parents to promote the Sem. An open house was held and many schools in the UK were also contacted. As a result, many prospective students came to the Seminary from all over the UK and abroad to spend a weekend in the Sem in order to find out if this is the right place for them to further advance their education and training.

We anticipate further expansion, improvement and development to help the Sem financially and further enhance the reputation of the institution.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against direct charitable activity.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, equating to net current assets.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, being the net current assets of the charity, stand at £225,826 (2021:£323,139), £62,110 of which is attributable to the restricted funds.

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

Beis Soroh Schenierer Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Ireland (FRS 102).

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.

Plans for future periods

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

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 16 January 2024 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 2022

Opinion

We have audited the financial statements of Beis Soroh Schenierer Seminary (the 'charity') for the year ended 31 December 2022 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 2022 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 2022

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 2022

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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

the nature of the industry and sector, control environment and business performance;

results of our enquiries of management about their own identification and assessment of the risks of irregularities;

any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to (a) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; (b) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; (c) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; (d) the matters identified as to how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAS (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, UK tax legislation and UK Charity Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

As a result of performing the above, we identified no key audit matters relating to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

reviewing the financial statement disclosures and testing to supporting documentation to assess

Beis Soroh Schenierer Seminary

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

Year ended 31 December 2022

compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

enquiring of management concerning actual and potential litigation and claims;

performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions; and

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 Report of the Auditors.

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.
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Beis Soroh Schenierer Seminary

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

Year ended 31 December 2022

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.

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
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Haffner Hoff Ltd
Accountants & statutory auditor

16 January 2024

Beis Soroh Schenierer Seminary

Statement of Financial Activities

Year ended 31 December 2022

| | | | 2022 | | 2021 |
|---|------|-------------------------|-----------------------|-------------------------|------------------|
| | Note | Unrestricted funds £ | Restricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | | |
| Donations and legacies | 4 | 76,930 | 279,876 | 356,806 | 662,387 |
| Other trading activities | 5 | 24,050 | – | 24,050 | 21,635 |
| Other income | 6 | 1,003,956 | – | 1,003,956 | 932,152 |
| Total income | | <u>1,104,936</u> | <u>279,876</u> | <u>1,384,812</u> | <u>1,616,174</u> |
| Expenditure | | | | | |
| Expenditure on raising funds: | | | | | |
| Costs of raising donations and legacies | 7 | – | – | – | 65,951 |
| Expenditure on charitable activities | 8,9 | 1,137,308 | 229,649 | 1,366,958 | 1,528,008 |
| Total expenditure | | <u>1,137,308</u> | <u>229,649</u> | <u>1,366,958</u> | <u>1,593,959</u> |
| Net income and net movement in funds | | <u>(32,372)</u> | <u>50,227</u> | <u>17,854</u> | <u>22,215</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 1,998,978 | 11,883 | 2,010,861 | 1,988,646 |
| Total funds carried forward | | <u>1,966,606</u> | <u>62,110</u> | <u>2,028,716</u> | <u>2,010,861</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 24 form part of these financial statements.

Beis Soroh Schenierer Seminary

Statement of Financial Position

31 December 2022

| | Note | 2022 £ | 2021 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible fixed assets | 15 | 3,045,008 | 3,033,983 |
| Investments | 16 | 2 | 2 |
| | | <u>3,045,010</u> | <u>3,033,985</u> |
| Current assets | | | |
| Stocks | 17 | 8,427 | 2,295 |
| Debtors | 18 | 591,385 | 519,029 |
| Cash at bank and in hand | | 7,672 | 43,314 |
| | | <u>607,484</u> | <u>564,638</u> |
| Creditors: amounts falling due within one year | 19 | <u>381,658</u> | <u>241,499</u> |
| Net current assets | | <u>225,826</u> | <u>323,139</u> |
| Total assets less current liabilities | | <u>3,270,836</u> | <u>3,357,124</u> |
| Creditors: amounts falling due after more than one year | 20 | <u>1,242,121</u> | <u>1,346,263</u> |
| Net assets | | <u><u>2,028,715</u></u> | <u><u>2,010,861</u></u> |
| Funds of the charity | | | |
| Restricted funds | | 62,110 | 11,883 |
| Unrestricted funds | | 1,966,606 | 1,998,978 |
| Total charity funds | 22 | <u><u>2,028,716</u></u> | <u><u>2,010,861</u></u> |

These financial statements were approved by the board of trustees and authorised for issue on 16 January 2024, and are signed on behalf of the board by:

M Halpern
Trustee

The notes on pages 14 to 24 form part of these financial statements.

Beis Soroh Schenierer Seminary

Statement of Cash Flows

Year ended 31 December 2022

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Cash flows from operating activities | | |
| Net income | 17,854 | 22,215 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 13,575 | 29,150 |
| Accrued (income)/expenses | (2,610) | 15,490 |
| <i>Changes in:</i> | | |
| Stocks | (6,132) | 2,463 |
| Trade and other debtors | (72,356) | (94,961) |
| Trade and other creditors | 98,444 | 31,435 |
| Cash generated from operations | 48,775 | 5,792 |
| Net cash from operating activities | 48,775 | 5,792 |
| Cash flows from investing activities | | |
| Purchase of tangible assets | (24,600) | (1,535) |
| Net cash used in investing activities | (24,600) | (1,535) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | (59,817) | (15,494) |
| Net cash used in financing activities | (59,817) | (15,494) |
| Net decrease in cash and cash equivalents | (35,642) | (11,237) |
| Cash and cash equivalents at beginning of year | 43,314 | 54,551 |
| Cash and cash equivalents at end of year | 7,672 | 43,314 |

The notes on pages 14 to 24 form part of these financial statements.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements

Year ended 31 December 2022

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.

3. Accounting policies

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.

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.

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. Restricted funds are those that are ringfenced for specific purposes.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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.

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.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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 | - 15% 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.

This year the depreciation charge for equipment has been reduced from 25% to 15%. This change in accounting estimate is based on changes in the estimated useful economic life of the equipment. The change in estimate has resulted in a reduction of £8,352 in depreciation expenditure in the year.

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.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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 2022 £ |
|------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 73,318 | 62,110 | 135,428 |

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

4. Donations and legacies *(continued)*

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Grants | | | |
| Grants receivable | 3,612 | 72,212 | 75,824 |
| C S T security grants | – | 141,846 | 141,846 |
| JRS grants | – | – | – |
| Sponsorship | | | |
| Fundraising income | – | 3,708 | 3,708 |
| | <u>76,930</u> | <u>279,876</u> | <u>356,806</u> |
| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
| Donations | | | |
| Donations | 135,067 | 11,883 | 146,950 |
| Grants | | | |
| Grants receivable | 10,833 | 78,854 | 89,687 |
| C S T security grants | – | 133,456 | 133,456 |
| JRS grants | 25,867 | – | 25,867 |
| Sponsorship | | | |
| Fundraising income | – | 266,427 | 266,427 |
| | <u>171,767</u> | <u>490,620</u> | <u>662,387</u> |

5. Other trading activities

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|-----------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Other income: courses | 4,050 | 4,050 | 5,635 | 5,635 |
| Camp income | 20,000 | 20,000 | 16,000 | 16,000 |
| | <u>24,050</u> | <u>24,050</u> | <u>21,635</u> | <u>21,635</u> |

6. Other income

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|-------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Voluntary contributions | 993,625 | 993,625 | 917,868 | 917,868 |
| Registration fees | 10,331 | 10,331 | 14,284 | 14,284 |
| | <u>1,003,956</u> | <u>1,003,956</u> | <u>932,152</u> | <u>932,152</u> |

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

7. Costs of raising donations and legacies

| | Restricted Funds £ | Total Funds 2022 £ | Restricted Funds £ | Total Funds 2021 £ |
|---|--------------------------|-----------------------------------|--------------------------|--------------------------|
| Costs of raising donations and legacies | <u>—</u> | <u>—</u> | <u>65,951</u> | <u>65,951</u> |

8. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|--|----------------------------|--------------------------|-----------------------------------|
| Running costs of the college including instruction & other direct management costs | 822,220 | 95,320 | 917,540 |
| Support costs | 315,088 | 134,329 | 449,418 |
| | <u>1,137,308</u> | <u>229,649</u> | <u>1,366,958</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|--|----------------------------|--------------------------|--------------------------|
| Running costs of the college including instruction & other direct management costs | 848,694 | 211,836 | 1,060,530 |
| Support costs | 266,528 | 200,950 | 467,478 |
| | <u>1,115,222</u> | <u>412,786</u> | <u>1,528,008</u> |

9. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Support costs £ | Total funds 2022 £ | Total fund 2021 £ |
|--|---|-----------------------|-----------------------------------|-------------------------|
| Running costs of the college including instruction & other direct management costs | 917,540 | 436,519 | 1,354,059 | 1,511,367 |
| Governance costs | — | 12,899 | 12,899 | 16,641 |
| | <u>917,540</u> | <u>449,418</u> | <u>1,366,958</u> | <u>1,528,008</u> |

10. Analysis of support costs

| | Analysis of support costs £ | Total 2022 £ | Total 2021 £ |
|------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs | 236,109 | 236,109 | 256,493 |
| Premises | 134,330 | 134,330 | 133,456 |
| General office | 11,817 | 11,817 | 12,788 |
| Finance costs | 54,263 | 54,263 | 48,100 |
| Governance costs | 12,899 | 12,899 | 16,641 |
| | <u>449,418</u> | <u>449,418</u> | <u>467,478</u> |

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

11. Net income

Net income is stated after charging/(crediting):

| | 2022 | 2021 |
|---------------------------------------|----------------------|---------------|
| | £ | £ |
| Depreciation of tangible fixed assets | <u>13,575</u> | <u>29,150</u> |

12. Auditors remuneration

| | 2022 | 2021 |
|--|---------------------|--------------|
| | £ | £ |
| Fees payable for the audit of the financial statements | <u>5,400</u> | <u>4,950</u> |
| Fees payable to the charity's auditor and its associates for other services: Other non-audit services | <u>6,540</u> | <u>8,640</u> |

13. Staff costs

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

| | 2022 | 2021 |
|---|-----------------------|----------------|
| | £ | £ |
| Wages and salaries | 541,882 | 561,724 |
| Social security costs | 21,116 | 24,974 |
| Employer contributions to pension plans | 10,412 | 10,659 |
| | <u>573,410</u> | <u>597,357</u> |

The average head count of employees during the year was 30 (2021: 31). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2022 | 2021 |
|--------------------|------------------|-----------|
| | No. | No. |
| Faculty | 15 | 16 |
| Office | 6 | 6 |
| Kitchen & domestic | 9 | 9 |
| | <u>30</u> | <u>31</u> |

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees nor were expenses reimbursed to the trustees.

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

15. Tangible fixed assets

| | Land and buildings £ | Equipment £ | Computer equipment £ | Total £ |
|----------------------------|----------------------------|----------------|----------------------------|-------------------------|
| Cost / valuation | | | | |
| At 1 January 2022 | 2,945,224 | 516,341 | 187,892 | 3,649,457 |
| Additions | – | 24,600 | – | 24,600 |
| At 31 December 2022 | <u>2,945,224</u> | <u>540,941</u> | <u>187,892</u> | <u>3,674,057</u> |
| Depreciation | | | | |
| At 1 January 2022 | – | 432,816 | 182,658 | 615,474 |
| Charge for the year | – | 12,529 | 1,046 | 13,575 |
| At 31 December 2022 | <u>–</u> | <u>445,345</u> | <u>183,704</u> | <u>629,049</u> |
| Carrying amount | | | | |
| At 31 December 2022 | <u>2,945,224</u> | <u>95,596</u> | <u>4,188</u> | <u>3,045,008</u> |
| At 31 December 2021 | <u>2,945,224</u> | <u>83,525</u> | <u>5,234</u> | <u>3,033,983</u> |

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

16. Investments

| | Shares in group undertaking s £ |
|---|---|
| Cost or valuation | |
| At 1 January 2022 and 31 December 2022 | <u>2</u> |
| Impairment | |
| At 1 January 2022 and 31 December 2022 | <u>–</u> |
| Carrying amount | |
| At 31 December 2022 | <u>2</u> |
| At 31 December 2021 | <u>2</u> |

All investments shown above are held at valuation.

17. Stocks

| | 2022 £ | 2021 £ |
|-------------------------------|---------------------|--------------|
| Raw materials and consumables | <u>8,427</u> | <u>2,295</u> |

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

18. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 485,630 | 450,326 |
| Prepayments and accrued income | 10,177 | 57,038 |
| Other debtors | 95,578 | 11,665 |
| | <u>591,385</u> | <u>519,029</u> |

19. Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---------------------------------|----------------|----------------|
| Bank loans and overdrafts | 59,818 | 15,493 |
| Trade creditors | 212,863 | 116,835 |
| Accruals and deferred income | 22,780 | 25,390 |
| Social security and other taxes | 6,266 | 8,396 |
| Other creditors | 79,931 | 75,385 |
| | <u>381,658</u> | <u>241,499</u> |

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

| | 2022 £ | 2021 £ |
|---------------------------|------------------|------------------|
| Bank loans and overdrafts | <u>1,242,121</u> | <u>1,346,263</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 £10,412 (2021: £10,659).

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

22. Analysis of charitable funds

Unrestricted funds

| | At 1 January 2022 £ | Income £ | Expenditure £ | At 31 December 2022 £ |
|---------------|------------------------------|------------------|--------------------|--------------------------------|
| General funds | <u>1,998,978</u> | <u>1,104,936</u> | <u>(1,137,308)</u> | <u>1,966,606</u> |

| | At 1 January 2021 £ | Income £ | Expenditure £ | At 31 December 2021 £ |
|---------------|------------------------------|------------------|--------------------|--------------------------------|
| General funds | <u>1,988,646</u> | <u>1,125,554</u> | <u>(1,115,222)</u> | <u>1,998,978</u> |

Restricted funds

| | At 1 January 2022 £ | Income £ | Expenditure £ | At 31 December 2022 £ |
|-------------------------------------|------------------------------|----------------|------------------|--------------------------------|
| Restricted fund - grants receivable | <u>11,883</u> | <u>279,876</u> | <u>(229,649)</u> | <u>62,110</u> |

| | At 1 January 2021 £ | Income £ | Expenditure £ | At 31 December 2021 £ |
|-------------------------------------|------------------------------|----------------|------------------|--------------------------------|
| Restricted fund - grants receivable | <u>—</u> | <u>490,620</u> | <u>(478,737)</u> | <u>11,883</u> |

Beis Soroh Schenierer Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

23. Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 3,045,008 | – | 3,045,008 |
| Investments | 2 | – | 2 |
| Current assets | 545,374 | 62,110 | 607,484 |
| Creditors less than 1 year | (381,658) | – | (381,658) |
| Creditors greater than 1 year | (1,242,121) | – | (1,242,121) |
| Net assets | 1,966,605 | 62,110 | 2,028,715 |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 3,033,983 | – | 3,033,983 |
| Investments | 2 | – | 2 |
| Current assets | 552,755 | 11,883 | 564,638 |
| Creditors less than 1 year | (241,499) | – | (241,499) |
| Creditors greater than 1 year | (1,346,263) | – | (1,346,263) |
| Net assets | 1,998,978 | 11,883 | 2,010,861 |

24. Analysis of changes in net debt

| | At 1 Jan 2022 £ | Cash flows £ | At 31 Dec 2022 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 43,314 | (35,642) | 7,672 |
| Debt due within one year | (15,493) | (44,325) | (59,818) |
| Debt due after one year | (1,346,263) | 104,142 | (1,242,121) |
| | (1,318,442) | 24,175 | (1,294,267) |

25. Related parties

Donations totalling £17,950 were received from the trustees and other related parties.

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.