

Charity Registration No. 1113038

Company Registration No. 05604295 (England and Wales)

**THE MONTEFIORE ENDOWMENT**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

# THE MONTEFIORE ENDOWMENT

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Mr A R Bekhor	
	Mrs C H Green	
	Mr L E Gubbay	
	Mr D Kessler	(Appointed 11 April 2022)
	Rabbi Dr A Levy OBE	
	Mr I Levy	
	Mrs P C N Sinyor	
	Mr D R M Sopher	(Appointed 11 April 2022)
Secretary	Mrs S G Sinyor	
Charity number	1113038	
Company number	05604295	
Registered office	Schaller House 44a Albert Road London NW4 2SJ	
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW	
Investment advisors	Walker Crips Stockbrokers Limited Finsbury Tower 103 - 105 Bunhill Row London EC1Y 8LZ	

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# THE MONTEFIORE ENDOWMENT

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# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2021

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The Trustees present their annual report and financial statements for the year ended 31 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

The Trustees have complied with their duty in Section 17 (5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission. The benefit to the public is manifestly demonstrated by the achievements contained in this report.

On 2 April 2014, having received prior consent from the Charity Commission for the purposes of section 198 of the Charities Act 2011, the Trustees unanimously passed a special resolution, updating the Charity's objects as follows:

1. The maintenance and support of the Synagogue and the maintenance of the mausoleum and cemetery belonging to the Charity;
2. The advancement of the education of the public by the maintenance and promotion for the public benefit of the moveable property of the Charity including Scrolls of the Law, bells, cloaks, silver plate, books, manuscripts and pictures in such ways as the Trustees of the Charity think fit, including:
  - a) The digitisation, translation and publication of books and manuscripts;
  - b) The display of artefacts.
3. The promotion of the advanced study of the Holy Law as revealed on Sinai and expounded by the revered sages of the Mishna and Talmud in one or more of the following ways:
  - a) In the training of Orthodox Jewish Teachers, Ministers and Rabbis, by awarding scholarships of such value and tenable at such institutions of further education as the Trustees think fit;
  - b) By making grants to any institution of further education which provides such education and is established for charitable purposes;
  - c) In such other ways as the Trustees think fit.
4. The advancement for the public benefit, of the education of young adults and lay leaders in the Orthodox Jewish community in such ways as the Trustees of the Charity think fit, including:
  - a) The promotion of study of the Holy Law as revealed on Sinai as expounded by the revered sages of the Mishna and Talmud and its application to contemporary life;
  - b) The provision of leadership training.
5. The promotion of religious harmony for the benefit of the public by:
  - a) Promoting mutual respect and understanding between those of different faiths and beliefs.
  - b) Teaching the benefit of tolerance, mutual understanding, social harmony and integration, in accordance with the teachings of the Holy Law as expounded by the revered sages of the Mishna and Talmud.

# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### *FOR THE YEAR ENDED 31 OCTOBER 2021*

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It is clear from Sir Moses Montefiore's life and works that he would have expected the Trustees of his Endowment to interpret the objects of the Charity in the light of the current realities of 'orthodox' Jewish life in the UK and elsewhere. Accordingly, the Trustees have summarised the primary aims of the Endowment as follows:

1. To provide and to augment resources for higher religious educational training, lay leadership training and university-level study and research, likely to lead to the fulfilment of the Endowment's primary goals, even though these activities may not in themselves always constitute advanced Torah scholarship.
2. To promote advanced Jewish scholarship based firmly on rabbinical tradition, coupled with the pursuit of social harmony and constructive engagement with people of all shades of religious belief and non-belief.
3. To maintain the Montefiore Synagogue, Mausoleum, and the Jewish cemetery at Ramsgate together with the collection of manuscripts and ritual objects owned by the Endowment.
4. To disseminate knowledge of the Jewish religious and intellectual heritage represented by the collections, records and buildings owned by the Endowment.

The Trustees have agreed the following strategy to achieve these aims, paying due regard to the guidance issued by the Charity Commission on deciding which activities the Charity should undertake.

a.) The Endowment's own long-term courses, such as the Semicha Course, the Dayanut Course and the Gap-Year school leavers' programme will be supported on an ongoing basis, as will its support for similar courses at other institutions. Every opportunity will be taken to develop further courses and to identify and support worthy projects run by institutions with similar aims. In the UK's small orthodox Jewish community, there are relatively few opportunities to embark successfully on significant projects consistent with the governing instrument of the Charity; and its trustees endeavour to maintain sufficient funds for any opportunities that may arise.

b.) A programme of grants to assist study and research at university level on subjects consistent with the aims of the Charity will be promoted. Research publications on the Endowment's website and elsewhere are encouraged; and it is planned to run Leadership Training and other courses in Jerusalem for selected UK university graduates.

c.) The Montefiore Synagogue and Mausoleum at Ramsgate and the Ramsgate Jewish Cemetery remain in need of continual maintenance. A schedule for necessary repairs and improvements, in order of priority, is in operation. Efforts will continue to make the site more attractive and available to visitors, and especially to organised groups of school children.

d.) The Montefiore Endowment will continue its policy of staging special public events whenever appropriate, featuring international scholars on important topics.



# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

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### **Achievements and performance**

The strategic aims set out in the Charity's strategy document were promoted during the past year in the following ways.

All the Endowment's courses were successfully delivered by Zoom despite the pandemic; and promised assistance to outside charities was continued after receiving evidence of delivery online.

The Synagogue, Mausoleum and Cemetery at Ramsgate, and their grounds are in a reasonably good condition and are being maintained on a regular basis. Before the Covid crisis the Synagogue was increasingly being used by school groups seeking knowledge of the Jewish religion for their studies, and appropriate explanatory talks were delivered. An audio-visual presentation was completed and is now in use. Access to this heritage site by appointment was facilitated; and before interruption by the pandemic, it received an increased number of visitors and organised groups of school children by appointment.

Nearly all the Charity's ritual silver is now on public display at the Victoria & Albert Museum, London, and at the Fitzwilliam Museum, Cambridge.

The programme of annual Gap-Year Scholarships for male and female school leavers has become increasingly successful and now caters for up to 15 students, each selected by competitive interview for their potential leadership qualities from students already accepted for study at selected colleges of advanced Torah learning in Jerusalem. A special programme of additional lectures is delivered directly by the Endowment to the students in Jerusalem every fortnight, either face-to-face or on Zoom, to broaden their knowledge in accordance with clauses 4 and 5 of the Charity's aims.

The Montefiore Semicha Course continues to attract high-calibre students; and the policy of admitting new students at appropriate times during the four-year course, rather than only at the beginning of each cycle, has proved popular.

The Montefiore Dayanut Programme for senior rabbis in advanced Torah learning (Dayanut) continues to attract world-wide attention with over twenty-four rabbis participating, including eight from the UK. Two students in Perth, Australia, are being given special tuition due to the difficulty with international time differences.

A new part-time two-year Diploma Course was launched for lay men and women, divided equally into sessions on practical issues in Jewish law and on religious and cultural inspiration. This is proving popular with very few 'drop outs' and is likely to be considered for repetition or extension in future years.

Grants were given to promote advanced study of the Holy Law at the Montefiore Kollel in North Manchester and at the London School of Jewish Studies in London. Satisfactory reports were received from both institutions concerning the achievement of the Charity's aims.

Grants were made to a number of smaller charities to promote particular courses of study complying with one or more of the Charity's aims. Such grants are awarded under specified conditions and closely monitored to ensure compliance.

Five Ph.D. students are being supported in their studies in furtherance of several of the Charity's aims; and other applicants are being considered.

The Endowment's latest publication entitled 'Memorable Sephardi Voices' was commissioned and launched with the intention of promoting the Endowment's core aims and values. The book was welcomed by educational institutions in the UK and the USA with several hundred copies being sold initially.

Work continues on projects for making the Endowment's manuscript collections more widely available to the public, both online and otherwise; and numerous inquiries from scholars worldwide were answered by our Librarian. Public interest is demonstrated by the large number of "visitors" to the Endowment's website (over 4,000 in 90 days) mainly from the UK, Israel and the USA but also from places as far apart as Finland and China.

# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

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The Endowment's office, library and educational facilities were moved without mishap to more suitable premises in the Schaller House Complex.

It should be clear from the above account that the resources of the Charity are being successfully employed to further its declared aims, all for public benefit.

### Financial review

During the course of the year, in pursuit of the charitable objectives, total incoming resources amounted to £86,104 (2020: £105,100). Total resources expended were £640,057 (2020: £527,015). There were also net gains on investments in the year of £742,718 (2020: £341,528) and the net movement in funds in the year was a increase of £188,765 (2020: £80,387 - decrease).

The Charity's investment activity resulted in a gain for the year. The trustees regularly monitor the performance of its investment policy and consider it to be especially satisfactory during this period of financial uncertainty.

The Trustees have an ongoing commitment to maintain the Synagogue, mausoleum and cemetery in Ramsgate along with a significant amount of moveable property. The Charity's present and planned educational and leadership programmes and assistance to charities with similar aims will involve significant expenditure in the coming years.

### Reserves Policy

The reserves policy is reviewed annually to reassess risk and reflect any changes to the Endowment's income, capital, financial obligations and long-term plans for charitable expenditure. The minimum amount of reserves necessary to meet the Charity's obligations for a year in case of emergency is between £0.5 million to £0.75 million, which is adequately covered at present.

Unrestricted Funds (not designated for other purposes) at the year's end amounted to £653,699 (2020: £736,979) comprising those funds which the Trustees are free to use in accordance with the charitable objectives of the Endowment.

Designated Funds consist of several individual funds such like the Special Projects Fund, set aside by the Board of Trustees to meet the cost of the Charity's educational and other special projects as and when they occur, at the Trustees' discretion. Additionally, the Building, Tombstone and Burial Fund provides for the purchase and maintenance of the Synagogue and Mausoleum as well as for the maintenance of the burial grounds and tombstones. Other Bequest Funds provide for the general maintenance of the property of the Charity. The value of Designated Funds is currently £2,833,569 (2020: £3,309,953).

The Montefiore Endowment is currently a self-funding charity. The Trustees do not consider that at present it would be prudent or efficient for the Charity to spend money on additional fund-raising. It therefore relies on internal resources to fund its work.

Investment returns have been satisfactory especially at this time of financial uncertainty; and the Charity now spends most of its income and capital gains on its increasing range of activity. The funding of the Charity's present work depends on satisfactory results from its investment portfolio.

In the UK's small orthodox Jewish community, there are not many opportunities to embark successfully on large-scale projects for public benefit consistent with the governing instrument of the Charity. As the Montefiore Endowment is one of the few Jewish educational charities with funds at its disposal, its Trustees consider it essential to maintain a Special Reserve Fund to take advantage of such opportunities that may present themselves or be developed. Projects that have already been made possible by this fund are described above. They include the Semicha Course, the Dayanut Programme, the Gap-year Programme and the Diploma Course.

At present the Special Reserve Fund is fully utilised to provide the income and capital gains necessary to enable the Charity to fund its policy of maintaining its buildings and collections, publications, and to maintain and expand its programmes to promote advanced Torah learning, and leadership training.



# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

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The Charity's Endowment Funds represents assets which must be held permanently by the charity,

A total return approach is adopted in respect of the Permanent Endowment held by the Charity, with any income and capital gains or losses arising classed as unapplied total return which can be transferred to unrestricted income at the discretion of the Trustees.

### **Cyber Fraud and Re-Organisation**

The Endowment suffered a financial loss in September 2021 due to cyber fraud involving an email breach and identity impersonation. The loss amounted to less than 2% of its assets and had no impact on the Endowment's current or future activities or programmes.

#### ***Immediate Action***

All necessary reports were promptly submitted to the Police and to the Charity Commission and an investigation launched to establish precisely what had occurred.

The Endowment's insurers were consulted regarding the extent of its cover. HSBC, the charity's bank, was requested for information from its records as to what had happened, but with scant result.

The Endowment responded to the loss by immediately engaging a specialist firm to sweep its I.T. systems and recommend improvements. No malware was found but upgrades were recommended and implemented. A more rigorous protocol for the making of payments was also adopted.

#### ***Continuing Action in the Financial Year 2021-2022***

As a first step towards seeking redress, the Trustees submitted its case for compensation to the Financial Ombudsman.

They also engaged specialist consultants to check the Endowment's compliance with the relevant recommendations of the Charity Commission, to advise on steps needed to strengthen its administrative procedures and to initiate necessary changes.

### **Investment policy**

The assets of the Endowment are invested in a balanced way, having regard to the ongoing commitment to maintain the Synagogue, mausoleum and cemetery at Ramsgate and having regard to the operational commitments and expected costs of the Endowment. This is important as the Trustees rely only on internal resources to fund its work. After having regard to the above, the objective is to invest the assets of the Endowment in pursuit of capital growth. The Trustees regularly monitor the performance of its investments against the stated policy.

### **Risk management**

The Trustees have considered the major risks to which the charity is exposed, have reviewed these risks, have established systems and procedures to manage them as set out in its Risks Register. They are satisfied that systems are being put into place to mitigate exposure.

### **Structure, governance and management**

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association which were incorporated on 26th October 2005. The net assets of The Montefiore Endowment at Ramsgate (Charity No. 230919) were transferred to The Montefiore Endowment (Charity No. 1113038, Company No. 05604295) on the 20 November 2007. On 2 April 2014, having received prior consent from the Charity Commission for the purposes of section 198 of the Charities Act 2011, the Trustees unanimously passed a resolution, updating the Charity's objects.



# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

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The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A R Bekhor

Mrs C H Green

Mr L E Gubbay

Mr D Kessler

(Appointed 11 April 2022)

Rabbi Dr A Levy OBE

Mr I Levy

Mr R Musry

(Resigned 22 February 2022)

Mrs P C N Sinyor

Mr D R M Sopher

(Appointed 11 April 2022)

Mr R M Sopher

Trustees are currently recruited by word of mouth, or by personal approach. Special knowledge of at least one of the Charity's activities is generally required.

Trustees undergo regular training in accordance with agreed policy. New Trustees are furnished with recent minutes of relevant meetings and encouraged to discuss any matters with other Trustees and with the Secretary.

The Board of Trustees recognises that the responsibilities of a Trustee are considerable and continues to so inform all Trustees.

During the period, the day to day running of the Charity was undertaken by the above Trustees, and by the following Honorary Consultants: Dr Roger Bilboul and Professor Stephen Miller.

Rabbi Asaf Mittelman was employed as part-time Director of Education and Rabbi Amrom Nemeth as his part-time deputy.

Mrs Giselle Sinyor and Mrs Julia Samuel were employed as part-time Joint Administrators, with Mrs Giselle Sinyor as Company Secretary. Mrs Lauren White assisted as Secretary. Mrs Samuel stepped down in the latter part of the year, leaving Mrs Sinyor as sole Administrator.

Mr Ben Kelly was employed as part-time Superintendent for the Ramsgate properties and assisted by other part-time helpers on a casual basis.

### Associated Organisations

The Montefiore Endowment is an independently constituted charity with historical links to the Spanish and Portuguese Jews' Congregation, London. Many members of its board of trustees and advisory council are also members of the S&P Jews' Congregation.

### Promoting the success of the company

Note 20 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the Charity's obligations on a fund by fund basis.

### Auditor

In accordance with the company's articles, a resolution proposing that RDP Newmans LLP be reappointed as auditor of the company will be put at a General Meeting.

### Related party transactions

During the year there have been transactions with two related parties - please refer to note 22 for further details.

# THE MONTEFIORE ENDOWMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 OCTOBER 2021*

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### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' report was approved by the Board of Trustees.

On behalf of the board of trustees

.....  
Mr L E Gubbay  
**Trustee**

Date: .....

# THE MONTEFIORE ENDOWMENT

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 OCTOBER 2021*

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The Trustees, who are also the directors of The Montefiore Endowment for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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 MONTEFIORE ENDOWMENT

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE MONTEFIORE ENDOWMENT

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#### Opinion

We have audited the financial statements of The Montefiore Endowment (the 'Charity') for the year ended 31 October 2021 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet and the notes to the financial statements, including 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 charitable company's affairs as at 31 October 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Emphasis of matter

We draw attention to note 23 to the financial statements which describes a loss of £100,000 as a result of an external fraud that occurred during the year. Although the loss to the Charity was significant, it has not impacted on the operations of the Charity nor has it impacted the Charity's ability to continue to deliver its charitable objectives. There has been a thorough review of the Charity's internal controls and appropriate steps have been taken by the Trustees to mitigate the risk of such a fraud happening again in the future.

Our opinion is not modified in respect of this matter.

#### 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.

# THE MONTEFIORE ENDOWMENT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE MONTEFIORE ENDOWMENT

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#### 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

#### Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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.

# THE MONTEFIORE ENDOWMENT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE MONTEFIORE ENDOWMENT

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were, General Data Protection Regulation (GDPR), and employment legislation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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



# THE MONTEFIORE ENDOWMENT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE MONTEFIORE ENDOWMENT

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
RDP Newmans LLP

.....29 JUL 2022

Chartered Accountants  
Statutory Auditor

Lynwood House  
373-375 Station Road  
Harrow, Middlesex  
HA1 2AW

RDP Newmans LLP 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.

# THE MONTEFIORE ENDOWMENT

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total Unrestricted funds 2021 £	Endowment funds 2020 £	Total 2020 £
<b><u>Income from:</u></b>						
Donations and legacies	3	19,034	-	19,034	20,298	20,298
Investments	4	17,144	49,926	67,070	29,224	84,802
<b>Total income and endowments</b>		<b>36,178</b>	<b>49,926</b>	<b>86,104</b>	<b>49,522</b>	<b>105,100</b>
<b><u>Expenditure on:</u></b>						
Raising funds	5	605	14,215	14,820	734	14,931
Charitable activities	6	525,237	-	525,237	512,084	512,084
Exceptional item - Loss due to fraud	23	100,000	-	100,000	-	-
<b>Total resources expended</b>		<b>625,842</b>	<b>14,215</b>	<b>640,057</b>	<b>512,818</b>	<b>527,015</b>
Net gains/(losses) on investments	11	30,000	712,718	742,718	-	341,528
<b>Net movement in funds</b>		<b>(559,664)</b>	<b>748,429</b>	<b>188,765</b>	<b>(463,296)</b>	<b>(80,387)</b>
Fund balances at 1 November 2020		4,046,932	3,662,869	7,709,801	4,510,228	7,790,188
<b>Fund balances at 31 October 2021</b>		<b>3,487,268</b>	<b>4,411,298</b>	<b>7,898,566</b>	<b>4,046,932</b>	<b>7,709,801</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE MONTEFIORE ENDOWMENT

## SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2021

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	All income funds 2021 £	All income funds 2020 £
Gross income	36,178	49,522
Change in fair value on investment property	30,000	-
Total income in the reporting period	66,178	49,522
Total expenditure from income funds	625,842	512,818
Net expenditure for the year	(559,664)	(463,296)



# THE MONTEFIORE ENDOWMENT

## BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13		2,046		1,168
Investment properties	14		500,000		470,000
Investments	15		4,849,865		4,151,278
			<u>5,351,911</u>		<u>4,622,446</u>
<b>Current assets</b>					
Debtors	17	3,077		-	
Cash at bank and in hand		2,561,692		3,106,772	
		<u>2,564,769</u>		<u>3,106,772</u>	
<b>Creditors: amounts falling due within one year</b>	18	(18,114)		(19,417)	
Net current assets			2,546,655		3,087,355
<b>Total assets less current liabilities</b>			<u>7,898,566</u>		<u>7,709,801</u>
<b>Capital funds</b>					
Endowment funds - general	19		4,411,298		3,662,869
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	20	2,833,569		3,309,953	
General unrestricted funds		653,699		736,979	
		<u></u>	3,487,268	<u></u>	4,046,932
			<u>7,898,566</u>		<u>7,709,801</u>

# THE MONTEFIORE ENDOWMENT

## BALANCE SHEET (CONTINUED)

**AS AT 31 OCTOBER 2021**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2021, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on .....

.....  
Mr L E Gubbay  
Trustee

.....  
Mrs P C N Sinyor  
Trustee

**Company Registration No. 05604295**

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 OCTOBER 2021

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#### 1 Accounting policies

##### Charity information

The Montefiore Endowment is a private company limited by guarantee incorporated in England and Wales. The registered office is Schaller House, 44a Albert Road, London, NW4 2SJ. The Charity is registered at the Charities Commission with the registration number 1113038.

All of the Trustees are members of the charitable company and guarantee to contribute such sum (not exceeding £1) in the event of winding up.

##### 1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

Endowment funds represent assets which must be held permanently by the Charity. The Charity has adopted a total returns approach in respect of its permanent endowment under section 104A(2) of the Trust (Capital and Income) Act 2013. Any income and capital gains or losses arising on the assets are classed as the unapplied total return which can be transferred to unrestricted income at the discretion of the Trustees.

##### 1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.



# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is accounted for on a receivable basis.

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable expenditure comprises all expenditure directly relating to the objectives of the Charity. It also includes an allocation of support and governance costs.

Governance costs include expenses associated with constitutional and statutory requirements, such as audit fees and the cost of legal advice taken by the Trustees. Governance costs have been allocated based on the proportion of total direct costs attributable to each charitable activity to total resources expended.

Support costs are those costs that are not directly attributable to a single activity but provide the necessary organisational support for all the charity's activities. The support costs have been allocated based on the proportion of total direct costs attributable to each charitable activity to total resources expended.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Items of equipment are capitalised when the purchase price exceeds £1,000.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

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### 1 Accounting policies

(Continued)

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

#### 1.8 Heritage assets

These assets are integral to the activities of the Congregation and are unique in terms of their religious and historic significance. Conventional valuation techniques cannot be applied because of their uniqueness and any valuation would be misleading. The heritage assets held are as follows:

##### a) Freehold Properties and Content

The cost of properties as listed below held for religious, burial and administrative purposes has previously been written off against reserves. Their current value is not shown as the properties are inalienable and historic.

i) Land comprising 0.095 hectares being the Synagogue and the Mausoleum thereon.

ii) Land comprising 0.29 hectares being the Burial Ground.

##### b) Movable Assets

Movable assets, primarily silver, manuscripts and books are not included in the accounts at any value. This is in accordance with the Statement of Recommended Practice which specifies that assets held as the objects of the charity for long term retention and to which it is difficult to reliably estimate their value can be excluded from the balance sheet.

#### 1.9 Fixed asset investments

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

#### 1.10 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

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### 1 Accounting policies

(Continued)

#### 1.12 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

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

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Specifically, the Trustees have made judgements on the apportionment of support and governance costs across the various charitable activities (see note 8 for further details) - the basis of this apportionment has remained consistent to prior years. The trustees have also made judgements on the fair value of the investment property (see note 14 for further details).

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	19,034	20,298

### 4 Investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Income from listed investments	-	49,926	49,926	-	55,578	55,578
Rental income	16,222	-	16,222	19,026	-	19,026
Interest receivable	922	-	922	10,198	-	10,198
	<u>17,144</u>	<u>49,926</u>	<u>67,070</u>	<u>29,224</u>	<u>55,578</u>	<u>84,802</u>



# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 5 Raising funds

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
<u>Investment management</u>	605	14,215	14,820	734	14,197	14,931
	605	14,215	14,820	734	14,197	14,931

### 6 Charitable activities

	Religious and cemetery running expenses	Educational	Maintenance and conserving assets	Total 2021	Total 2020
	£	£	£	£	£
Staff costs	7,347	36,833	-	44,180	41,828
Building costs	16,104	-	-	16,104	40,415
Semicha course provision	-	42,737	-	42,737	51,459
Expenses incurred in support of Semicha courses	-	1,391	-	1,391	5,183
Conservation programme	-	-	4,980	4,980	1,050
Manuscripts	-	-	7,485	7,485	2,190
Testimonial projects	-	-	2,197	2,197	4,485
	23,451	80,961	14,662	119,074	146,610
Grant funding of activities (see note 7)	-	269,857	-	269,857	268,619
Share of support costs (see note 8)	7,676	114,831	4,799	127,306	90,855
Share of governance costs (see note 8)	543	8,118	339	9,000	6,000
	31,670	473,767	19,800	525,237	512,084
<b>Analysis by fund</b>					
Unrestricted funds	31,670	473,767	19,800	525,237	
	31,670	473,767	19,800	525,237	
<b>For the year ended 31 October 2020</b>					
Unrestricted funds	58,571	443,986	9,527		512,084
	58,571	443,986	9,527		512,084

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 7 Grants payable

	Educational 2021 £	Educational 2020 £
Grants to institutions:		
Manchester Kollel	31,250	18,750
Dayanut Course	13,750	18,600
London School of Jewish Studies	50,386	50,000
University Scholarships	11,449	5,970
Eretz Hatzvi	13,500	26,001
Midreshet Harova	22,500	31,500
Secular Yeshiva	7,500	7,500
Spanish and Portuguese Congregation	-	5,000
Morenu	8,025	22,500
Sephardi Voices	4,197	9,998
Jewish Chaplaincy	10,000	20,000
Yeshivat Hakotel	31,500	-
Sephardi Haburah	12,500	-
	<u>216,557</u>	<u>215,819</u>
Grants to individuals	53,300	52,800
	<u>269,857</u>	<u>268,619</u>

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# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 8 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	66,793	-	66,793	52,636	See note a)
Depreciation	714	-	714	532	See note a)
IT costs	7,965	-	7,965	3,228	See note a)
Maintenance costs	15,268	-	15,268	13,837	See note a)
Accountancy and secretarial	12,290	-	12,290	11,580	See note a)
Rent and security costs	23,333	-	23,333	1,667	See note a)
Legal and professional fees	900	-	900	7,125	See note a)
Sundry expenses	43	-	43	250	See note a)
Audit fees	-	9,000	9,000	6,000	See note b)
	<u>127,306</u>	<u>9,000</u>	<u>136,306</u>	<u>96,855</u>	
Analysed between					
Charitable activities	<u>127,306</u>	<u>9,000</u>	<u>136,306</u>	<u>96,855</u>	

a) All other supports costs have been apportioned on the percentage of total charitable expenditure directly attributable to each charitable activity.

b) Governance costs have been allocated based on the percentage of total charitable expenditure directly attributable to each charitable activity.

### 9 Trustees

There were no travel, accommodation or other expenses paid to Trustees in the current or prior year.

No other Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

### 10 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>5</u>	<u>4</u>

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 10 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	103,859	88,825
Social security costs	4,933	3,778
Other pension costs	2,181	1,861
	<u>110,973</u>	<u>94,464</u>

There were no employees whose annual remuneration was more than £60,000.

### 11 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £	Endowment funds general 2020 £
Revaluation of investments	-	714,126	714,126	208,778
Gain/(loss) on sale of investments	-	(1,408)	(1,408)	132,750
Revaluation of investment properties	30,000	-	30,000	-
	<u>30,000</u>	<u>712,718</u>	<u>742,718</u>	<u>341,528</u>

### 12 Taxation

The Charity is exempt from tax on income and gains falling within section 505 of Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 13 Tangible fixed assets

	Plant and equipment £
<b>Cost</b>	
At 1 November 2020	2,661
Additions	1,593
At 31 October 2021	<u>4,254</u>
<b>Depreciation and impairment</b>	
At 1 November 2020	1,494
Depreciation charged in the year	714
At 31 October 2021	<u>2,208</u>
<b>Carrying amount</b>	
At 31 October 2021	<u>2,046</u>
At 31 October 2020	<u>1,168</u>

### 14 Investment property

	2021 £
<b>Fair value</b>	
At 1 November 2020	470,000
Net gains or losses through fair value adjustments	30,000
At 31 October 2021	<u>500,000</u>

The fair value of the investment properties has been arrived at on the basis of a valuation exercise based on current market rents and investment property yields for comparable real estate undertaken by the Trustees.

The Trustees having suitable knowledge and qualification considered the above valuation to be a fair reflection of the investment property at 31 October 2021.



# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 15 Fixed asset investments

	Listed investments	Cash held by investment managers	Total
	£		£
<b>Cost or valuation</b>			
At 1 November 2020	4,135,829	15,449	4,151,278
Additions	142,213	-	142,213
Valuation changes	714,126	-	714,126
Movement in cash	-	9,858	9,858
Investment management fees	-	(14,194)	(14,194)
Disposals	(153,416)	-	(153,416)
At 31 October 2021	4,838,752	11,113	4,849,865
<b>Carrying amount</b>			
At 31 October 2021	4,838,752	11,113	4,849,865
At 31 October 2020	4,135,829	15,449	4,151,278

#### Fixed asset investments revalued

The market value of the listed investment as at 31 October 2021 is £4,838,752 (2020: £4,135,829).

<b>16 Financial instruments</b>	<b>2021</b>	<b>2020</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	4,838,752	4,135,829
<b>17 Debtors</b>	<b>2021</b>	<b>2020</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	3,077	-
<b>18 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	£	£
Other taxation and social security	2,914	-
Trade creditors	2,124	10,390
Other creditors	4,076	27
Accruals and deferred income	9,000	9,000
	18,114	19,417

## THE MONTEFIORE ENDOWMENT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

#### 19 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. The charity has adopted a total returns approach in respect of its permanent endowment under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013. Any income and capital gains or losses arising on the assets are classed as unapplied total return which can be transferred to unrestricted income at the discretion of the trustees. This approach was reflected as of 1 November 2017 where the original endowment was valued at £984,874 with the unapplied total return being £1,664,625. The value of the original endowment is deemed as the value of the permanently endowed investment funds as at 31 October 2004. This value was chosen being the most historic value available.

	Balance at 1 November 2019	Movement in funds				Balance at 1 November 2020	Movement in funds				Balance at 31 October 2021
		Transfer on adoption of total returns approach	Investment return: dividends and interest	Investment return: realised and unrealised gains/(losses)	Investment management costs		Transfer on adoption of total returns approach	Investment return: dividends and interest	Investment return: realised and unrealised gains/(losses)	Investment management costs	
	£	£	£	£	£	£	£	£	£	£	£
<b>Permanent endowments</b>											
Endowment	984,874		-	-	-	984,874	-	-	-	-	984,874
Unapplied total return	2,295,086		55,578	341,528	(14,197)	2,677,995	-	49,926	712,718	(14,215)	3,426,424
	<u>3,279,960</u>	<u>-</u>	<u>55,578</u>	<u>341,528</u>	<u>(14,197)</u>	<u>3,662,869</u>	<u>-</u>	<u>49,926</u>	<u>712,718</u>	<u>(14,215)</u>	<u>4,411,298</u>

## THE MONTEFIORE ENDOWMENT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

#### 20 Unrestricted fund

The unrestricted funds of the charity include general unrestricted funds and the following designated funds which have been set aside by the Trustees for specific purposes:

	Movement in funds			Movement in funds				Balance at 31 October 2021 £
	Balance at 1 November 2019 £	Incoming resources £	Resources expended £	Balance at 1 November 2020 £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	
Designated - Special Project Fund	3,051,452	8,969	(443,987)	2,616,434	17,129	(473,768)	-	2,159,795
Designated - Building, Tombstone and Burial Ground Fund	411,596	11,228	(58,570)	364,254	1,725	(31,670)	-	334,309
Designated - Other Bequest Funds	40,513	-	(9,527)	30,986	-	(19,800)	-	11,186
General Unrestricted Funds	708,388	29,325	(734)	736,979	17,324	(100,604)	-	653,699
Designated - Investment Property Revaluation Fund	298,279	-	-	298,279	-	-	30,000	328,279
	<u>4,510,228</u>	<u>49,522</u>	<u>(512,818)</u>	<u>4,046,932</u>	<u>36,178</u>	<u>(625,842)</u>	<u>30,000</u>	<u>3,487,268</u>

The Special Projects Fund was set aside by the Trustees to meet the cost of special projects as and when they occur at the Trustees' discretion.

Building, Tombstone and Burial Ground Reserves Fund - this fund is used for the purchase and maintenance of the Synagogue and Mausoleum as well as the maintenance of the burial grounds and tombstones.

Other Bequests Funds - this provides for the maintenance of the property of the Charity.

The Investment Property Revaluation Fund is comprised of gains or losses in fair value of investment properties.

The Trustees are satisfied that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any designations.

Total designated funds at the year-end amounted to £2,833,569 (2020: £3,309,954). General unrestricted funds at the year-end amounted to £653,699 (2020: £736,979). These funds are available for use at the discretion of the Trustees for particular purposes.

# THE MONTEFIORE ENDOWMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

### 21 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 October 2021 are represented by:						
Tangible assets	2,046	-	2,046	1,168	-	1,168
Investment properties	500,000	-	500,000	470,000	-	470,000
Investments	438,568	4,411,297	4,849,865	488,409	3,662,869	4,151,278
Current assets/ (liabilities)	2,546,655	-	2,546,655	3,087,355	-	3,087,355
	<u>3,487,269</u>	<u>4,411,297</u>	<u>7,898,566</u>	<u>4,046,932</u>	<u>3,662,869</u>	<u>7,709,801</u>

### 22 Related party transactions

#### Remuneration of key management personnel

The charity's key management personnel consists of the Board of Trustees only. The Trustees received no remuneration in the year.

#### Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

During the year, the Endowment paid rent and security costs of £5,000 (2020: £nil) and a grant of £nil (2020: £5,000) to the Spanish and Portuguese Jews Synagogue, an associated charity as detailed in the Trustees report.

During the year, the Endowment paid rent and security costs of £18,333 (2020: £1,667) and a grant of £50,386 (2020: £50,000) to Jews' College T/A the London School of Jewish Studies, a charity in which there are common trustees.

### 23 Exceptional item - Loss due to fraud

In September 2021 the charity suffered a loss amounting to £100,000 as a result of a cyber fraud.

# Virtual Cabinet Portal Digital Signatures

## Digital Signature Verification

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## Signature 1

Signed by Lucien Gubbay using authentication code ayZnZ3ZvUGN0fDZ2 at IP address 109.145.121.250, on 2022/07/28 18:02:47 Z.

Lucien Gubbay's e-mail address is: [lucienandjoyce@gubbay.co.uk](mailto:lucienandjoyce@gubbay.co.uk).

## Signature 2

Signed by Pamela Sinyor using authentication code Pks5Rk4IOWRWdIVL at IP address 82.34.149.107, on 2022/07/28 20:16:09 Z.

Pamela Sinyor's e-mail address is: [pamelasinyor@gmail.com](mailto:pamelasinyor@gmail.com).