

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales · Charity number 313338

Details

| | |
|-------------|--|
| Other names | GATESHEAD KOLEL, THE GATESHEAD KOLEL, THE INSTITUTE OF HIGHER RABBINICAL STUDIES GATESHEAD KOLEL |
| Status | Registered |
| Legal form | Other |
| Registered | 1965-01-07 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|---|
| Address | 22 Claremont Place Gateshead Tyne And Wear NE8 1TL |
| Phone | 01914774832 |

Activities

Objects: 1. TO PROMOTE THEOLOGICAL AND TALMUDICAL RESEARCH, 2. TO PROVIDE SUCH EDUCATIONAL FACILITIES AS WILL ENABLE THE STUDENTS OF THE INSTITUTE TO BECOME RABBIS, PRINCIPALS, AND HEADS OF TALMUDICAL AND RABBINCIAL COLLEGES.

Activities: The development and training of future rabbis

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|----------|-----------|
| 2024-12-31 | £716,974 | £706,428 | £567,702 | 9 |
| 2023-12-31 | £941,669 | £1,000,610 | £557,156 | 9 |
| 2022-12-31 | £870,852 | £1,059,349 | £579,725 | 10 |
| 2021-12-31 | £985,207 | £1,166,303 | £768,222 | 10 |
| 2020-12-31 | £804,924 | £777,534 | £949,318 | 10 |

Trustees

| Name | Role | Appointed |
|--------------------|------|------------|
| HAROLD EMANUEL | | 2012-05-09 |
| Joseph Oppenheimer | | |

Linked charities

- EASTWOOD ESTATES (313338-1)
- LELOK (313338-2)

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales - Charity number 313338

Accounts

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2024

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2024

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Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

| | |
|------------------------------------|---|
| Registered charity name | Institute for Higher Rabbinical Studies |
| Charity registration number | 313338 |
| Principal office | 22 Claremont Place Gateshead Tyne & Wear NE8 1TL |
| Trustees | Rabbi H Emanuel Rabbi J A Oppenheimer |
| Council | Rabbi J A Oppenheimer (Chairman) Rabbi D Silkin (Hon Secretary) Rabbi M J Karnowsky (Treasurer) Rabbi H Emanuel Rabbi D J Bowden |
| Assembly | S Beaton A Metzker Y Cooper E Gruner G Heilpern J Sebbag B Bitensky D S Zahn D Bernstein E Turner Z Ziskind M S Cohen A Steinberg |
| Independent examiner | Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL |

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Structure, governance and management

The charity was established under a constitution circa end of 1941.

Governing Document

The charity is unincorporated and is governed by its constitution drawn up at the end of 1941 and which was amended on 21 August 2001.

Governing body and appointment of trustees

The structure of the charity consists of one set of trustees. The board of trustees and the council are authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

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.

Structure information

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi S Salomon on behalf of the trustees. All major decisions are taken collectively by the trustees, and all the trustees give of their time freely. The trustees are unpaid, and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The Institute is administered by an Assembly, a Council and an Executive. The Assembly meets every three years to elect the Council and to consider reports. Members of the Council hold office for three years. It meets at least once every three years. The council has powers to:

- a) Decide all matters pertaining to the raising of finance, provision of premises and the welfare of the students. They are also empowered to decide all matters pertaining to the trustees of the Institute in whose name all the properties of the Institute are invested.
- b) Admit new students.
- c) Make internal regulations which include the determination of the course of studies.

The Executive are the Chairman, Treasurer and Honorary Secretary. The Assembly appoints from among its members at least four persons to act as the Education Committee which advises the Council in the exercise of sub clauses b) and c).

Structure and relationship

Details of related party transactions are disclosed in the notes to the accounts.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Objectives and activities

The Institute known as Gateshead Kolel is an institution specialising in advanced Torah studies. Its purpose is to provide students an opportunity for an intensive programme of all aspects of Rabbinical scholarship, particularly in the field of Talmud and Jewish law.

The trustees have referred to the guidance contained in the charity commissioners' general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the bursary and grant policy for the year.

Aims and intended impact

Within these objects, the trustees aim to provide help whether financial or otherwise to all students of the Institute and to enhance the Institute's reputation by supporting local Jewish schools by way of grants and the support of their students.

Objectives for the Year

The aim this year is to continue to support the students of the Institute and the local Jewish schools as much as the financial resources allow.

Strategies to achieve the year's objectives

The Institute continues to encourage its students to go out to Jewish communities to publicise the work of the Institute and its achievements in producing outstanding Jewish communal leaders and raise funds through existing and new donors to continue its work.

Principal activities of the year

The charity's main activity was the supporting of its students through bursaries and grants to local Jewish schools.

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.

Grant-making policy

The policy is to assist existing and new students financially in their studies through bursaries in accordance with their need and to make grants to local Jewish schools where possible.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter-term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

RISK MANAGEMENT

The trustees are responsible for the management of the risks faced by the charity. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Comprehensive strategic planning and budgeting.
- Established organisations structure and lines of reporting.
- Clear authorisation and approval levels.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Through the risk management processes established for the Charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations. Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the investments and prevailing market conditions as well as ability to maintain tenants or lease holders. The trustees regularly review the loans to value as well as the occupancy levels to ensure there is headroom on these investments, and they are as profitable as possible.

Achievements and performance

The charity received £694,663 (2023: £915,007) in donations and £22,311 (2023: £26,662) in rental income from its investments and bank interest receivable during the year.

Investment management costs amounted to £15,832 (2023: £4,915).

The charity paid out £664,653 (2023: £959,602) by way of charitable activities and support costs. The grants were made in line with the stated objects of the charity and were for educational purposes.

The charity has low governance costs. The governance costs incurred relate to professional fees incurred during the year.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

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

There was an overall net income and net movement in funds for the year amounting to £10,546 (2023 (£22,569)).

The trustees consider that the performance of the charity this year has been satisfactory.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Financial review

At 31st December 2024, the free reserves, being the net current assets of the charity, amounted to £230,893 (2023: £246,335).

Total funds held by the charity at the year-end were £567,702 (2023: £557,156), all of these were unrestricted.

Fundraising costs are as disclosed in the notes to the accounts.

The trustees reviewed the value of the land and buildings during the year. The trustees considered that the fair value of the land and buildings is the same as last year owing to the yields being almost static.

The trustees are satisfied that funds available are sufficient to permit the trust to continue in operation and to carry on the same level of charitable expenditure.

Reserves policy

The trustees aim to distribute the vast majority of donations received in any year while maintaining a sufficient level of reserves to meet ongoing costs. The amount of reserves to be held is reviewed annually.

The amount of expenditure made in any period will take into account the necessity to have these reserves available in accordance with the trustees' policy.

Investment policy and objectives

There were no new investments made in the year.

The investments of the charity have provided a gross return of 5% in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Plans for future periods

The trustees aim to continue to pay out grants and bursaries in line with the objects of the constitution.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 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 Charities SORP.
- make judgements and accounting estimates that are reasonable and prudent.
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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 9 September 2025 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

Independent Examiner's Report to the Trustees of Institute for Higher Rabbinical Studies

Year ended 31 December 2024

I report to the trustees on my examination of the financial statements of Institute for Higher Rabbinical Studies ('the charity') for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

9 September 2025

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2024

| | | 2024 | | 2023 |
|---|------|-------------------------|-----------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 694,663 | 694,663 | 915,007 |
| Investment income | 5 | 22,311 | 22,311 | 26,662 |
| Total income | | <u>716,974</u> | <u>716,974</u> | <u>941,669</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 6 | 25,943 | 25,943 | 36,093 |
| Investment management costs | 7 | 15,832 | 15,832 | 4,915 |
| Expenditure on charitable activities | 8,9 | 664,653 | 664,653 | 959,602 |
| Total expenditure | | <u>706,428</u> | <u>706,428</u> | <u>1,000,610</u> |
| Net gains on investments | 12 | – | – | 36,372 |
| Net income/(expenditure) and net movement in funds | | <u>10,546</u> | <u>10,546</u> | <u>(22,569)</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 557,156 | 557,156 | 579,725 |
| Total funds carried forward | | <u>567,702</u> | <u>567,702</u> | <u>557,156</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 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2024

| | Note | 2024 £ | £ | 2023 £ |
|--|------|----------------|----------------|-----------|
| Fixed assets | | | | |
| Tangible fixed assets | 17 | | 266,809 | 240,821 |
| Investments | 18 | | 280,000 | 280,000 |
| | | | 546,809 | 520,821 |
| Current assets | | | | |
| Debtors | 19 | 196,484 | | 195,554 |
| Cash at bank and in hand | | 37,860 | | 55,004 |
| | | 234,344 | | 250,558 |
| Creditors: amounts falling due within one year | 20 | 3,451 | | 4,223 |
| Net current assets | | | 230,893 | 246,335 |
| Total assets less current liabilities | | | 777,702 | 767,156 |
| Creditors: amounts falling due after more than one year | 21 | | 210,000 | 210,000 |
| Net assets | | | 567,702 | 557,156 |
| Funds of the charity | | | | |
| Unrestricted funds: | | | | |
| Revaluation reserve | | 195,000 | | 195,000 |
| Other unrestricted income funds | | 372,702 | | 362,156 |
| Total unrestricted funds | | 567,702 | | 557,156 |
| Total charity funds | 22 | | 567,702 | 557,156 |

These financial statements were approved by the board of trustees and authorised for issue on 9 September 2025, and are signed on behalf of the board by:

Rabbi H Emanuel
Trustee

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2024

| | 2024 | 2023 |
|---|----------------------|----------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net income/(expenditure) | 10,546 | (22,569) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 5,112 | 5,402 |
| Net gains on investments | - | (36,372) |
| Dividends, interest and rents from investments | (22,311) | (26,662) |
| Interest payable and similar charges | - | 2,453 |
| <i>Changes in:</i> | | |
| Trade and other debtors | (930) | 68,365 |
| Trade and other creditors | (772) | (23,897) |
| Cash generated from operations | <u>(8,355)</u> | <u>(33,280)</u> |
| Interest paid | - | (2,453) |
| Net cash used in operating activities | <u>(8,355)</u> | <u>(35,733)</u> |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 22,311 | 26,662 |
| Purchase of tangible assets | (31,100) | (2,759) |
| Proceeds from sale of tangible assets | - | 47,397 |
| Proceeds from sale of other investments | - | 36,372 |
| Net cash (used in)/from investing activities | <u>(8,789)</u> | <u>107,672</u> |
| Cash flows from financing activities | | |
| Proceeds from borrowings | - | (30,094) |
| Net cash used in financing activities | <u>-</u> | <u>(30,094)</u> |
| Net (decrease)/increase in cash and cash equivalents | (17,144) | 41,845 |
| Cash and cash equivalents at beginning of year | 55,004 | 13,159 |
| Cash and cash equivalents at end of year | <u>37,860</u> | <u>55,004</u> |

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements

Year ended 31 December 2024

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 22 Claremont Place, Gateshead, Tyne & Wear, NE8 1TL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the Balance Sheet date.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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 less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 1% straight line |
| Fixtures & Fittings | - | 10% reducing balance |
| Religious perquisites & Study Books | - | 10% reducing balance |

Investments

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

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 694,663 | 694,663 | 915,007 | 915,007 |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|-----------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from investment properties | 22,311 | 22,311 | 26,662 | 26,662 |

6. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|-------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Fundraising costs | 25,943 | 25,943 | 36,093 | 36,093 |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

7. Investment management costs

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|--|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Property repairs and maintenance charges | 15,832 | 15,832 | 4,915 | 4,915 |

8. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Direct charitable expenditure | 652,102 | 652,102 | 944,694 | 944,694 |
| Support costs | 12,551 | 12,551 | 14,908 | 14,908 |
| | <u>664,653</u> | <u>664,653</u> | <u>959,602</u> | <u>959,602</u> |

9. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2024 £ | Total fund 2023 £ |
|-------------------------------|---|-------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Direct charitable expenditure | 472,192 | 179,910 | 9,431 | 661,533 | 956,089 |
| Governance costs | – | – | 3,120 | 3,120 | 3,513 |
| | <u>472,192</u> | <u>179,910</u> | <u>12,551</u> | <u>664,653</u> | <u>959,602</u> |

10. Analysis of support costs

| | Analysis of support costs £ | Total 2024 £ | Total 2023 £ |
|------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs | 9,306 | 9,306 | 11,395 |
| General office | 125 | 125 | – |
| Governance costs | 3,120 | 3,120 | 3,513 |
| | <u>12,551</u> | <u>12,551</u> | <u>14,908</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

11. Analysis of grants

| | 2024 £ | 2023 £ |
|-------------------------------|----------------|----------------|
| Grants to institutions | | |
| Grants to schools | 9,510 | 11,030 |
| Lelok | 70,000 | 150,000 |
| The Gateshead Kolel Ltd | 100,400 | 95,500 |
| | <u>179,910</u> | <u>256,530</u> |
| Total grants | <u>179,910</u> | <u>256,530</u> |

12. Net gains on investments

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|---------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Gains/(losses) on investment property | — | — | 36,372 | 36,372 |

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

| | 2024 £ | 2023 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 5,112 | 5,402 |

14. Independent examination fees

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Fees payable to the independent examiner for: Independent examination of the financial statements | 3,120 | 3,120 |

15. Staff costs

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

| | 2024 £ | 2023 £ |
|-----------------------|---------------|---------------|
| Wages and salaries | 67,200 | 65,561 |
| Social security costs | — | 493 |
| | <u>67,200</u> | <u>66,054</u> |

The average head count of employees during the year was Nil (2023: 9). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2024 No. | 2023 No. |
|-----------------------|-------------|-------------|
| Number of admin staff | 1 | 1 |
| Number of other staff | 8 | 8 |
| | <u>9</u> | <u>9</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

15. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

16. Trustee remuneration and expenses

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

17. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | User defined asset £ | Total £ |
|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2024 | 250,000 | 66,546 | 90,531 | 407,077 |
| Additions | 31,100 | – | – | 31,100 |
| At 31 December 2024 | <u>281,100</u> | <u>66,546</u> | <u>90,531</u> | <u>438,177</u> |
| Depreciation | | | | |
| At 1 January 2024 | 35,302 | 58,655 | 72,299 | 166,256 |
| Charge for the year | 2,500 | 789 | 1,823 | 5,112 |
| At 31 December 2024 | <u>37,802</u> | <u>59,444</u> | <u>74,122</u> | <u>171,368</u> |
| Carrying amount | | | | |
| At 31 December 2024 | <u>243,298</u> | <u>7,102</u> | <u>16,409</u> | <u>266,809</u> |
| At 31 December 2023 | <u>214,698</u> | <u>7,891</u> | <u>18,232</u> | <u>240,821</u> |

18. Investments

| | Investment properties £ |
|---|-------------------------------|
| Cost or valuation | |
| At 1 January 2024 and 31 December 2024 | <u>280,000</u> |
| Impairment | |
| At 1 January 2024 and 31 December 2024 | |
| Carrying amount | |
| At 31 December 2024 | <u>280,000</u> |
| At 31 December 2023 | <u>280,000</u> |

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

Valuation of the investment property was undertaken at the request of the trustees by competent valuers who do not hold relevant qualifications but have a working knowledge of investment property. The valuation method is at fair value equating to market value which includes considering the yields from the properties.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

19. Debtors

| | 2024 | 2023 |
|---------------|-----------------------|----------------|
| | £ | £ |
| Other debtors | <u>196,484</u> | <u>195,554</u> |

20. Creditors: amounts falling due within one year

| | 2024 | 2023 |
|---------------------------------|---------------------|--------------|
| | £ | £ |
| Accruals and deferred income | 3,120 | 3,120 |
| Social security and other taxes | 331 | 1,103 |
| | <u>3,451</u> | <u>4,223</u> |

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

| | 2024 | 2023 |
|-----------------|-----------------------|----------------|
| | £ | £ |
| Other creditors | <u>210,000</u> | <u>210,000</u> |

22. Analysis of charitable funds

Unrestricted funds

| | At 01 Jan 2024 | Income | Expenditure | Gains and losses | At 31 Dec 2024 |
|---------------------|-------------------|----------------|------------------|---------------------|---------------------------|
| | £ | £ | £ | £ | £ |
| General funds | 362,156 | 716,974 | (706,428) | – | 372,702 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>557,156</u> | <u>716,974</u> | <u>(706,428)</u> | <u>–</u> | <u>567,702</u> |

| | At 01 Jan 2023 | Income | Expenditure | Gains and losses | At 31 Dec 2023 |
|---------------------|-------------------|----------------|--------------------|---------------------|-------------------|
| | £ | £ | £ | £ | £ |
| General funds | 384,725 | 941,669 | (1,000,610) | 36,372 | 362,156 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>579,725</u> | <u>941,669</u> | <u>(1,000,610)</u> | <u>36,372</u> | <u>557,156</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

23. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2024 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 266,809 | 266,809 |
| Investments | 280,000 | 280,000 |
| Current assets | 234,344 | 234,344 |
| Creditors less than 1 year | (3,451) | (3,451) |
| Creditors greater than 1 year | (210,000) | (210,000) |
| Net assets | 567,702 | 567,702 |

| | Unrestricted Funds £ | Total Funds 2023 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 240,821 | 240,821 |
| Investments | 280,000 | 280,000 |
| Current assets | 250,558 | 250,558 |
| Creditors less than 1 year | (4,223) | (4,223) |
| Creditors greater than 1 year | (210,000) | (210,000) |
| Net assets | 557,156 | 557,156 |

24. Analysis of changes in net debt

| | At 1 Jan 2024 £ | Cash flows £ | At 31 Dec 2024 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | <u>55,004</u> | <u>(17,144)</u> | <u>37,860</u> |

25. Related parties

During the year, various members of the Assembly, who are also students of the Institute, received bursaries amounting to £33,564 (2023: £147,468) and wages amounting to £35,562 (2023: £16,896).

26. Taxation

Institute for Higher Rabbinical Studies is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales - Charity number 313338

Accounts

CHARITY REGISTRATION NUMBER: 313338

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2023

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2023

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| Statement of financial activities | 7 |
| Statement of financial position | 8 |
| Statement of cash flows | 9 |
| Notes to the financial statements | 10 |

Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

| | |
|------------------------------------|---|
| Registered charity name | Institute for Higher Rabbinical Studies |
| Charity registration number | 313338 |
| Principal office | 22 Claremont Place Gateshead Tyne & Wear NE8 1TL |
| Trustees | Rabbi H Emanuel Rabbi J A Oppenheimer |
| Council | Rabbi J A Oppenheimer (Chairman) Rabbi D Silkin (Hon Secretary) Rabbi M J Karnowsky (Treasurer) Rabbi H Emanuel Rabbi D J Bowden |
| Assembly | S Beaton A Metzker Y Cooper E Gruner G Heilpern J Sebbag B Bitensky D S Zahn D Bernstein E Turner Z Ziskind M S Cohen A Steinberg |
| Independent examiner | Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL |

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

The charity was established under a constitution circa end of 1941.

Governing Document

The charity is unincorporated and is governed by its constitution drawn up at the end of 1941 and which was amended on 21 August 2001.

Governing body and appointment of trustees

The structure of the charity consists of one set of trustees. The board of trustees and the council are authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

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.

Structure information

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi S Salomon on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The Institute is administered by an Assembly, a Council and an Executive. The Assembly meets every three years to elect the Council and to consider reports. Members of the Council hold office for three years. It meets at least once every three years. The council has powers to:

- a) Decide all matters pertaining to the raising of finance, provision of premises and the welfare of the students. They are also empowered to decide all matters pertaining to the trustees of the Institute in whose name all the properties of the Institute are invested.
- b) Admit new students.
- c) Make internal regulations which include the determination of the course of studies.

The Executive are the Chairman, Treasurer and Honorary Secretary. The Assembly appoints from among its members at least four persons to act as the Education Committee which advises the Council in the exercise of sub clauses b) and c).

Structure and relationship

Details of related party transactions are disclosed in the notes to the accounts.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Objectives and activities

The Institute known as Gateshead Kolel is an institution specialising in advanced Torah studies. Its purpose is to provide students an opportunity for an intensive programme of all aspects of Rabbinical scholarship, particularly in the field of Talmud and Jewish law.

The trustees have referred to the guidance contained in the charity commissioners' general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the bursary and grant policy for the year.

Aims and intended impact

Within these objects, the trustees aim to provide help whether financial or otherwise to all students of the Institute and to enhance the Institute's reputation by supporting local Jewish schools by way of grants and the support of their students.

Objectives for the Year

The aim this year is to continue to support the students of the Institute and the local Jewish schools as much as the financial resources allow.

Strategies to achieve the year's objectives

The Institute continues to encourage its students to go out to Jewish communities to publicise the work of the Institute and its achievements in producing outstanding Jewish communal leaders and raise funds through existing and new donors to continue its work.

Principal activities of the year

The charity's main activity was the supporting of its students through bursaries and grants to local Jewish schools.

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.

Grant-making policy

The policy is to assist existing and new students financially in their studies through bursaries in accordance with their need and to make grants to local Jewish schools where possible.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter-term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

RISK MANAGEMENT

The trustees are responsible for the management of the risks faced by the charity. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Comprehensive strategic planning and budgeting;
- Established organisations structure and lines of reporting;
- Clear authorisation and approval levels.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Through the risk management processes established for the Charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations. Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the investments and prevailing market conditions as well as ability to maintain tenants or lease holders. The trustees regularly review the loans to value as well as the occupancy levels to ensure there is headroom on these investments and they are as profitable as possible.

Achievements and performance

The results for the year are shown in the financial statements.

The trustees consider that the performance of the charity this year has been satisfactory.

Financial review

Net expenditure and net movement for the year amounted to (£22,569) and total unrestricted funds as at 31 December 2023 were £557,156. The free reserves, being the net current assets of the charity, amounted to £246,335.

Fundraising costs are as disclosed in the notes to the accounts.

The trustees reviewed the value of the land and buildings during the year. The trustees considered that the fair value of the land and buildings is the same as last year owing to the yields being almost static.

The trustees are satisfied that funds available are sufficient to permit the trust to continue in operation and to carry on the same level of charitable expenditure.

Reserves policy

The trustees aim to distribute the vast majority of donations received in any year while maintaining a sufficient level of reserves to meet ongoing costs. The amount of reserves to be held is reviewed annually.

The amount of expenditure made in any period will take into account the necessity to have these reserves available in accordance with the trustees' policy.

Investment policy and objectives

There were no new investments made in the year.

The investments of the charity have provided a gross return of 5% in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Plans for future periods

The trustees aim to continue to pay out grants and bursaries in line with the objects of the constitution.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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 24 September 2024 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

Independent Examiner's Report to the Trustees of Institute for Higher Rabbinical Studies

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of Institute for Higher Rabbinical Studies ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

24 September 2024

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2023

| | | 2023 | | 2022 |
|--|------|-------------------------|-------------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 915,007 | 915,007 | 837,501 |
| Investment income | 5 | 26,662 | 26,662 | 33,351 |
| Total income | | <u>941,669</u> | <u>941,669</u> | <u>870,852</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 6 | 36,093 | 36,093 | 39,069 |
| Investment management costs | 7 | 4,915 | 4,915 | 2,717 |
| Expenditure on charitable activities | 8,9 | 959,602 | 959,602 | 1,017,563 |
| Total expenditure | | <u>1,000,610</u> | <u>1,000,610</u> | <u>1,059,349</u> |
| Net gains on investments | 12 | 36,372 | 36,372 | – |
| Net expenditure and net movement in funds | | <u>(22,569)</u> | <u>(22,569)</u> | <u>(188,497)</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 579,725 | 579,725 | 768,222 |
| Total funds carried forward | | <u>557,156</u> | <u>557,156</u> | <u>579,725</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 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2023

| | | 2023 | | 2022 |
|--|------|----------------|----------------|----------------|
| | Note | £ | £ | £ |
| Fixed assets | | | | |
| Tangible fixed assets | 17 | | 240,821 | 290,861 |
| Investments | 18 | | 280,000 | 280,000 |
| | | | <u>520,821</u> | <u>570,861</u> |
| | | | | |
| Current assets | | | | |
| Debtors | 19 | 195,554 | | 263,919 |
| Cash at bank and in hand | | 55,004 | | 13,159 |
| | | <u>250,558</u> | | <u>277,078</u> |
| | | | | |
| Creditors: amounts falling due within one year | 20 | <u>4,223</u> | | <u>29,180</u> |
| Net current assets | | | <u>246,335</u> | <u>247,898</u> |
| Total assets less current liabilities | | | <u>767,156</u> | <u>818,759</u> |
| | | | | |
| Creditors: amounts falling due after more than one year | 21 | | <u>210,000</u> | <u>239,034</u> |
| Net assets | | | <u>557,156</u> | <u>579,725</u> |
| | | | | |
| Funds of the charity | | | | |
| Unrestricted funds: | | | | |
| Revaluation reserve | | 195,000 | | 195,000 |
| Other unrestricted income funds | | 362,156 | | 384,725 |
| Total unrestricted funds | | <u>557,156</u> | | <u>579,725</u> |
| Total charity funds | 22 | | <u>557,156</u> | <u>579,725</u> |

These financial statements were approved by the board of trustees and authorised for issue on 24 September 2024, and are signed on behalf of the board by:

Rabbi H Emanuel
Trustee

The notes on pages 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2023

| | 2023 | 2022 |
|---|----------|-----------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net expenditure | (22,569) | (188,497) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 5,402 | 5,908 |
| Net gains on investments | (36,372) | – |
| Dividends, interest and rents from investments | (26,662) | (33,351) |
| Interest payable and similar charges | 2,453 | 1,609 |
| Accrued expenses | – | 240 |
| <i>Changes in:</i> | | |
| Trade and other debtors | 68,365 | 153,635 |
| Trade and other creditors | (23,897) | 24,649 |
| Cash generated from operations | (33,280) | (35,807) |
| Interest paid | (2,453) | (1,609) |
| Net cash used in operating activities | (35,733) | (37,416) |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 26,662 | 33,351 |
| Purchase of tangible assets | (2,759) | (494) |
| Proceeds from sale of tangible assets | 47,397 | – |
| Proceeds from sale of other investments | 36,372 | – |
| Net cash from investing activities | 107,672 | 32,857 |
| Cash flows from financing activities | | |
| Proceeds from borrowings | (30,094) | (1,062) |
| Net cash used in financing activities | (30,094) | (1,062) |
| Net increase/(decrease) in cash and cash equivalents | 41,845 | (5,621) |
| Cash and cash equivalents at beginning of year | 13,159 | 18,780 |
| Cash and cash equivalents at end of year | 55,004 | 13,159 |

The notes on pages 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements

Year ended 31 December 2023

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 22 Claremont Place, Gateshead, Tyne & Wear, NE8 1TL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the Balance Sheet date.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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 less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 1% straight line |
| Fixtures & Fittings | - | 10% reducing balance |
| Religious perquisites & Study Books | - | 10% reducing balance |

Investments

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

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 915,007 | 915,007 | 837,501 | 837,501 |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|-----------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from investment properties | 26,662 | 26,662 | 33,351 | 33,351 |

6. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|-------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Fundraising costs | 36,093 | 36,093 | 39,069 | 39,069 |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

7. Investment management costs

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Property repairs and maintenance charges | 4,915 | 4,915 | 2,717 | 2,717 |

8. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Direct charitable expenditure | 944,694 | 944,694 | 1,004,735 | 1,004,735 |
| Support costs | 14,908 | 14,908 | 12,828 | 12,828 |
| | <u>959,602</u> | <u>959,602</u> | <u>1,017,563</u> | <u>1,017,563</u> |

9. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2023 £ | Total fund 2022 £ |
|-------------------------------|---|-------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Direct charitable expenditure | 688,164 | 256,530 | 11,395 | 956,089 | 1,014,328 |
| Governance costs | – | – | 3,513 | 3,513 | 3,235 |
| | <u>688,164</u> | <u>256,530</u> | <u>14,908</u> | <u>959,602</u> | <u>1,017,563</u> |

10. Analysis of support costs

| | Analysis of support costs £ | Total 2023 £ | Total 2022 £ |
|------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs | 11,395 | 11,395 | 9,593 |
| Governance costs | 3,513 | 3,513 | 3,235 |
| | <u>14,908</u> | <u>14,908</u> | <u>12,828</u> |

11. Analysis of grants

| | 2023 £ | 2022 £ |
|-------------------------------|-----------------------|----------------|
| Grants to institutions | | |
| Grants to schools | 11,030 | 4,930 |
| Lelok | 150,000 | 190,000 |
| The Gateshead Kolel Ltd | 95,500 | 90,200 |
| | <u>256,530</u> | <u>285,130</u> |
| Total grants | <u>256,530</u> | <u>285,130</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

12. Net gains on investments

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|---------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Gains/(losses) on investment property | <u>36,372</u> | <u>36,372</u> | <u>–</u> | <u>–</u> |

13. Net expenditure

Net expenditure is stated after charging/(crediting):

| | 2023 £ | 2022 £ |
|---------------------------------------|-------------------|--------------|
| Depreciation of tangible fixed assets | <u>5,402</u> | <u>5,908</u> |

14. Independent examination fees

| | 2023 £ | 2022 £ |
|--|-------------------|--------------|
| Fees payable to the independent examiner for: Independent examination of the financial statements | <u>3,120</u> | <u>3,120</u> |

15. Staff costs

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

| | 2023 £ | 2022 £ |
|-----------------------|----------------------|---------------|
| Wages and salaries | 65,561 | 74,501 |
| Social security costs | 493 | – |
| | <u>66,054</u> | <u>74,501</u> |

The average head count of employees during the year was 9 (2022: 10). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2023 No. | 2022 No. |
|-----------------------|---------------------|-------------|
| Number of admin staff | 1 | 1 |
| Number of other staff | 8 | 9 |
| | <u>9</u> | <u>10</u> |

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

16. Trustee remuneration and expenses

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

17. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | User defined asset £ | Total £ |
|----------------------------|-------------------------|----------------------------|-------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2023 | 298,863 | 63,787 | 90,531 | 453,181 |
| Additions | – | 2,759 | – | 2,759 |
| Disposals | (48,863) | – | – | (48,863) |
| At 31 December 2023 | <u>250,000</u> | <u>66,546</u> | <u>90,531</u> | <u>407,077</u> |
| Depreciation | | | | |
| At 1 January 2023 | 34,268 | 57,779 | 70,273 | 162,320 |
| Charge for the year | 2,500 | 876 | 2,026 | 5,402 |
| Disposals | (1,466) | – | – | (1,466) |
| At 31 December 2023 | <u>35,302</u> | <u>58,655</u> | <u>72,299</u> | <u>166,256</u> |
| Carrying amount | | | | |
| At 31 December 2023 | <u>214,698</u> | <u>7,891</u> | <u>18,232</u> | <u>240,821</u> |
| At 31 December 2022 | <u>264,595</u> | <u>6,008</u> | <u>20,258</u> | <u>290,861</u> |

18. Investments

| | Investment properties £ |
|--|----------------------------|
| Cost or valuation | |
| At 1 January 2023 and 31 December 2023 | <u>280,000</u> |
| Impairment | |
| At 1 January 2023 and 31 December 2023 | |
| Carrying amount | |
| At 31 December 2023 | <u>280,000</u> |
| At 31 December 2022 | <u>280,000</u> |

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

Valuation of the investment property was undertaken at the request of the trustees by competent valuers who do not hold relevant qualifications but have a working knowledge of investment property. The valuation method is at fair value equating to market value which includes considering the yields from the properties.

19. Debtors

| | 2023 £ | 2022 £ |
|---------------|-----------------------|----------------|
| Other debtors | <u>195,554</u> | <u>263,919</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

20. Creditors: amounts falling due within one year

| | 2023 | 2022 |
|---------------------------------|---------------------|---------------|
| | £ | £ |
| Bank loans and overdrafts | – | 1,060 |
| Accruals and deferred income | 3,120 | 3,120 |
| Social security and other taxes | 1,103 | – |
| Other creditors | – | 25,000 |
| | <u>4,223</u> | <u>29,180</u> |

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

| | 2023 | 2022 |
|---------------------------|-----------------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | – | 29,034 |
| Other creditors | 210,000 | 210,000 |
| | <u>210,000</u> | <u>239,034</u> |

22. Analysis of charitable funds

Unrestricted funds

| | At 01 Jan 2023 | Income | Expenditure | Gains and losses | At 31 Dec 2023 |
|---------------------|-------------------|----------------|--------------------|---------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| General funds | 384,725 | 941,669 | (1,000,610) | 36,372 | 362,156 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>579,725</u> | <u>941,669</u> | <u>(1,000,610)</u> | <u>36,372</u> | <u>557,156</u> |
| | At 01 Jan 2022 | Income | Expenditure | Gains and losses | At 31 Dec 2022 |
| | £ | £ | £ | £ | £ |
| General funds | 573,222 | 870,852 | (1,059,349) | – | 384,725 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>768,222</u> | <u>870,852</u> | <u>(1,059,349)</u> | <u>–</u> | <u>579,725</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2023 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 240,821 | 240,821 |
| Investments | 280,000 | 280,000 |
| Current assets | 250,558 | 250,558 |
| Creditors less than 1 year | (4,223) | (4,223) |
| Creditors greater than 1 year | (210,000) | (210,000) |
| Net assets | 557,156 | 557,156 |

| | Unrestricted Funds £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 290,861 | 290,861 |
| Investments | 280,000 | 280,000 |
| Current assets | 277,078 | 277,078 |
| Creditors less than 1 year | (29,180) | (29,180) |
| Creditors greater than 1 year | (239,034) | (239,034) |
| Net assets | 579,725 | 579,725 |

24. Analysis of changes in net debt

| | At 1 Jan 2023 £ | Cash flows £ | At 31 Dec 2023 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 13,159 | 41,845 | 55,004 |
| Debt due within one year | (1,060) | 1,060 | - |
| Debt due after one year | (29,034) | 29,034 | - |
| | (16,935) | 71,939 | 55,004 |

25. Related parties

During the year, various members of the Assembly, who are also students of the Institute, received bursaries amounting to £147,468 (2022: £148,600) and wages amounting to £16,896 (2022: £23,344).

26. Taxation

Institute for Higher Rabbinical Studies is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales - Charity number 313338

Accounts

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2022

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2022

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| Statement of financial position | 8 |
| Statement of cash flows | 9 |
| Notes to the financial statements | 10 |

Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2022

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

Reference and administrative details

| | |
|------------------------------------|---|
| Registered charity name | Institute for Higher Rabbinical Studies |
| Charity registration number | 313338 |
| Principal office | 9 Hartington Street Gateshead Tyne & Wear NE8 4EN |
| Trustees | Rabbi H Emanuel Rabbi J A Oppenheimer |
| Council | Rabbi J A Oppenheimer (Chairman) Rabbi D Silkin (Hon Secretary) Rabbi M J Karnowsky (Treasurer) Rabbi H Emanuel Rabbi D J Bowden |
| Assembly | S Beaton A Metzker Y Cooper Y Grodzinski E Gruner G Heilpern J Sebbag B Bitensky D S Zahn M D Zahn D Bernstein E Turner Z Ziskind |
| Independent examiner | Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL |

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Structure, governance and management

The charity was established under a constitution circa end of 1941.

Governing Document

The charity is unincorporated and is governed by its constitution drawn up at the end of 1941 and which was amended on 21 August 2001.

Governing body and appointment of trustees

The structure of the charity consists of one set of trustees. The board of trustees and the council are authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

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.

Structure information

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi S Salomon on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The Institute is administered by an Assembly, a Council and an Executive. The Assembly meets every three years to elect the Council and to consider reports. Members of the Council hold office for three years. It meets at least once every three years. The council has powers to:

- a) Decide all matters pertaining to the raising of finance, provision of premises and the welfare of the students. They are also empowered to decide all matters pertaining to the trustees of the Institute in whose name all the properties of the Institute are invested.
- b) Admit new students.
- c) Make internal regulations which include the determination of the course of studies.

The Executive are the Chairman, Treasurer and Honorary Secretary. The Assembly appoints from among its members at least four persons to act as the Education Committee which advises the Council in the exercise of sub clauses b) and c).

Structure and relationship

Details of related party transactions are disclosed in the notes to the accounts.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Objectives and activities

The Institute known as Gateshead Kolel is an institution specialising in advanced Torah studies. Its purpose is to provide students an opportunity for an intensive programme of all aspects of Rabbinical scholarship, particularly in the field of Talmud and Jewish law.

The trustees have referred to the guidance contained in the charity commissioners' general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the bursary and grant policy for the year.

Aims and intended impact

Within these objects, the trustees aim to provide help whether financial or otherwise to all students of the Institute and to enhance the Institute's reputation by supporting local Jewish schools by way of grants and the support of their students.

Objectives for the Year

The aim this year is to continue to support the students of the Institute and the local Jewish schools as much as the financial resources allow.

Strategies to achieve the year's objectives

The Institute continues to encourage its students to go out to Jewish communities to publicise the work of the Institute and its achievements in producing outstanding Jewish communal leaders and raise funds through existing and new donors to continue its work.

Principal activities of the year

The charity's main activity was the supporting of its students through bursaries and grants to local Jewish schools.

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.

Grant-making policy

The policy is to assist existing and new students financially in their studies through bursaries in accordance with their need and to make grants to local Jewish schools where possible.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

RISK MANAGEMENT

The trustees are responsible for the management of the risks faced by the charity. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Comprehensive strategic planning and budgeting;
- Established organisations structure and lines of reporting;
- Clear authorisation and approval levels.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Through the risk management processes established for the Charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations. Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the investments and prevailing market conditions as well as ability to maintain tenants or lease holders. The trustees regularly review the loans to value as well as the occupancy levels to ensure there is headroom on these investments and they are as profitable as possible.

Achievements and performance

The results for the year are shown in the financial statements.

The trustees consider that the performance of the charity this year has been satisfactory.

Financial review

Net expenditure and net movement for the year amounted to (£188,497) and total unrestricted funds as at 31 December 2022 were £579,725. The free reserves, being the net current assets of the charity, amounted to £247,898.

Fundraising costs are as disclosed in the notes to the accounts.

The trustees reviewed the value of the land and buildings during the year. The trustees considered that the fair value of the land and buildings is the same as last year owing to the yields being almost static.

The trustees are satisfied that funds available are sufficient to permit the trust to continue in operation and to carry on the same level of charitable expenditure.

Reserves policy

The trustees aim to distribute the vast majority of donations received in any year while maintaining a sufficient level of reserves to meet ongoing costs. The amount of reserves to be held is reviewed annually.

The amount of expenditure made in any period will take into account the necessity to have these reserves available in accordance with the trustees' policy.

Investment policy and objectives

There were no new investments made in the year.

The investments of the charity have provided a gross return of 12% in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Plans for future periods

The trustees aim to continue to pay out grants and bursaries in line with the objects of the constitution.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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 19 September 2023 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

Independent Examiner's Report to the Trustees of Institute for Higher Rabbinical Studies

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of Institute for Higher Rabbinical Studies ('the charity') for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

19 September 2023

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2022

| | | 2022 | | 2021 |
|--|------|-------------------------|-------------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 837,501 | 837,501 | 953,281 |
| Investment income | 5 | 33,351 | 33,351 | 31,926 |
| Total income | | <u>870,852</u> | <u>870,852</u> | <u>985,207</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 6 | 39,069 | 39,069 | 40,472 |
| Investment management costs | 7 | 2,717 | 2,717 | – |
| Expenditure on charitable activities | 8,9 | 1,017,563 | 1,017,563 | 1,125,831 |
| Total expenditure | | <u>1,059,349</u> | <u>1,059,349</u> | <u>1,166,303</u> |
| Net expenditure and net movement in funds | | <u>(188,497)</u> | <u>(188,497)</u> | <u>(181,096)</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 768,222 | 768,222 | 949,318 |
| Total funds carried forward | | <u>579,725</u> | <u>579,725</u> | <u>768,222</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 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2022

| | Note | 2022 £ | £ | 2021 £ |
|--|------|----------------|----------------|------------------|
| Fixed assets | | | | |
| Tangible fixed assets | 16 | | 290,861 | 296,275 |
| Investments | 17 | | 280,000 | 280,000 |
| | | | <u>570,861</u> | <u>576,275</u> |
| Current assets | | | | |
| Debtors | 18 | 263,919 | | 417,554 |
| Cash at bank and in hand | | 13,159 | | 18,780 |
| | | <u>277,078</u> | | <u>436,334</u> |
| Creditors: amounts falling due within one year | 19 | <u>29,180</u> | | <u>3,231</u> |
| Net current assets | | | <u>247,898</u> | <u>433,103</u> |
| Total assets less current liabilities | | | <u>818,759</u> | <u>1,009,378</u> |
| Creditors: amounts falling due after more than one year | 20 | | <u>239,034</u> | <u>241,156</u> |
| Net assets | | | <u>579,725</u> | <u>768,222</u> |
| Funds of the charity | | | | |
| Unrestricted funds: | | | | |
| Revaluation reserve | | 195,000 | | 195,000 |
| Other unrestricted income funds | | 384,725 | | 573,222 |
| Total unrestricted funds | | <u>579,725</u> | | <u>768,222</u> |
| Total charity funds | 21 | | <u>579,725</u> | <u>768,222</u> |

These financial statements were approved by the board of trustees and authorised for issue on 19 September 2023, and are signed on behalf of the board by:

Rabbi H Emanuel
Trustee

The notes on pages 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2022

| | 2022 | 2021 |
|---|----------------------|----------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net expenditure | (188,497) | (181,096) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 5,908 | 6,175 |
| Dividends, interest and rents from investments | (33,351) | (31,926) |
| Interest payable and similar charges | 1,609 | (337) |
| Accrued expenses | 240 | 180 |
| <i>Changes in:</i> | | |
| Trade and other debtors | 153,635 | – |
| Trade and other creditors | 24,649 | 150,351 |
| Cash generated from operations | <u>(35,807)</u> | <u>(56,653)</u> |
| Interest paid | (1,609) | 337 |
| Net cash used in operating activities | <u>(37,416)</u> | <u>(56,316)</u> |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 33,351 | 31,926 |
| Purchase of tangible assets | (494) | – |
| Net cash from investing activities | <u>32,857</u> | <u>31,926</u> |
| Cash flows from financing activities | | |
| Proceeds from borrowings | (1,062) | (336) |
| Net cash used in financing activities | <u>(1,062)</u> | <u>(336)</u> |
| Net decrease in cash and cash equivalents | (5,621) | (24,726) |
| Cash and cash equivalents at beginning of year | 18,780 | 43,506 |
| Cash and cash equivalents at end of year | <u>13,159</u> | <u>18,780</u> |

The notes on pages 10 to 19 form part of these financial statements.

Institute for Higher Rabbinical Studies

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 9 Hartington Street, Gateshead, Tyne & Wear, NE8 4EN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the Balance Sheet date.

Institute for Higher Rabbinical Studies

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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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 less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 1% straight line |
| Fixtures & Fittings | - | 10% reducing balance |
| Religious perquisites & Study Books | - | 10% reducing balance |

Investments

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

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 837,501 | 837,501 | 953,281 | 953,281 |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|-----------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from investment properties | 33,351 | 33,351 | 31,926 | 31,926 |

6. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|-------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Fundraising costs | 39,069 | 39,069 | 40,472 | 40,472 |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

7. Investment management costs

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|--|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Property repairs and maintenance charges | 2,717 | 2,717 | – | – |

8. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2022 £ | Unrestricted Funds £ | Total Funds 2021 £ |
|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Direct charitable expenditure | 1,004,735 | 1,004,735 | 1,114,649 | 1,114,649 |
| Support costs | 12,828 | 12,828 | 11,182 | 11,182 |
| | <u>1,017,563</u> | <u>1,017,563</u> | <u>1,125,831</u> | <u>1,125,831</u> |

9. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2022 £ | Total fund 2021 £ |
|-------------------------------|---|-------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Direct charitable expenditure | 719,605 | 285,130 | 9,593 | 1,014,328 | 1,122,949 |
| Governance costs | – | – | 3,235 | 3,235 | 2,882 |
| | <u>719,605</u> | <u>285,130</u> | <u>12,828</u> | <u>1,017,563</u> | <u>1,125,831</u> |

10. Analysis of support costs

| | Analysis of support costs £ | Total 2022 £ | Total 2021 £ |
|---------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs & other | 9,593 | 9,593 | 8,300 |
| Governance costs | 3,235 | 3,235 | 2,882 |
| | <u>12,828</u> | <u>12,828</u> | <u>11,182</u> |

11. Analysis of grants

| | 2022 £ | 2021 £ |
|-------------------------------|-----------------------|----------------|
| Grants to institutions | | |
| Grants to schools | 4,930 | 8,980 |
| Lelok | 190,000 | 285,000 |
| The Gateshead Kolel Ltd | 90,200 | 61,700 |
| | <u>285,130</u> | <u>355,680</u> |
| Total grants | <u>285,130</u> | <u>355,680</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

12. Net expenditure

Net expenditure is stated after charging/(crediting):

| | 2022 | 2021 |
|---------------------------------------|---------------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets | <u>5,908</u> | <u>6,175</u> |

13. Independent examination fees

| | 2022 | 2021 |
|--|---------------------|--------------|
| | £ | £ |
| Fees payable to the independent examiner for: Independent examination of the financial statements | <u>3,120</u> | <u>2,880</u> |

14. Staff costs

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

| | 2022 | 2021 |
|--------------------|----------------------|---------------|
| | £ | £ |
| Wages and salaries | <u>74,501</u> | <u>76,293</u> |

The average head count of employees during the year was 10 (2021: 10). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2022 | 2021 |
|-----------------------|------------------|-----------|
| | No. | No. |
| Number of admin staff | 1 | 1 |
| Number of other staff | <u>9</u> | <u>9</u> |
| | <u>10</u> | <u>10</u> |

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

15. Trustee remuneration and expenses

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

16. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | User defined asset £ | Total £ |
|----------------------------|-------------------------|----------------------------|-------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2022 | 298,863 | 63,293 | 90,531 | 452,687 |
| Additions | – | 494 | – | 494 |
| At 31 December 2022 | <u>298,863</u> | <u>63,787</u> | <u>90,531</u> | <u>453,181</u> |
| Depreciation | | | | |
| At 1 January 2022 | 31,279 | 57,111 | 68,022 | 156,412 |
| Charge for the year | 2,989 | 668 | 2,251 | 5,908 |
| At 31 December 2022 | <u>34,268</u> | <u>57,779</u> | <u>70,273</u> | <u>162,320</u> |
| Carrying amount | | | | |
| At 31 December 2022 | <u>264,595</u> | <u>6,008</u> | <u>20,258</u> | <u>290,861</u> |
| At 31 December 2021 | <u>267,584</u> | <u>6,182</u> | <u>22,509</u> | <u>296,275</u> |

17. Investments

| | Investment properties £ |
|--|----------------------------|
| Cost or valuation | |
| At 1 January 2022 and 31 December 2022 | <u>280,000</u> |
| Impairment | |
| At 1 January 2022 and 31 December 2022 | |
| Carrying amount | |
| At 31 December 2022 | <u>280,000</u> |
| At 31 December 2021 | <u>280,000</u> |

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

Valuation of the investment property was undertaken at the request of the trustees by competent valuers who do not hold relevant qualifications but have a working knowledge of investment property. The valuation method is at fair value equating to market value which includes considering the yields from the properties.

18. Debtors

| | 2022 £ | 2021 £ |
|---------------|-----------------------|----------------|
| Other debtors | <u>263,919</u> | <u>417,554</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

19. Creditors: amounts falling due within one year

| | 2022 | 2021 |
|---------------------------------|---------------|-------|
| | £ | £ |
| Bank loans and overdrafts | 1,060 | – |
| Accruals and deferred income | 3,120 | 2,880 |
| Social security and other taxes | – | 351 |
| Other creditors | 25,000 | – |
| | 29,180 | 3,231 |

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

| | 2022 | 2021 |
|---------------------------|----------------|---------|
| | £ | £ |
| Bank loans and overdrafts | 29,034 | 31,156 |
| Other creditors | 210,000 | 210,000 |
| | 239,034 | 241,156 |

21. Analysis of charitable funds

Unrestricted funds

| | At 01 Jan 2022 | Income | Expenditure | At 31 Dec 2022 |
|---------------------|-------------------|----------------|--------------------|-----------------------|
| | £ | £ | £ | £ |
| General funds | 573,222 | 870,852 | (1,059,349) | 384,725 |
| Revaluation reserve | 195,000 | – | – | 195,000 |
| | <u>768,222</u> | <u>870,852</u> | <u>(1,059,349)</u> | <u>579,725</u> |

| | At 01 Jan 2021 | Income | Expenditure | At 31 Dec 2021 |
|---------------------|-------------------|----------------|--------------------|-------------------|
| | £ | £ | £ | £ |
| General funds | 754,318 | 985,207 | (1,166,303) | 573,222 |
| Revaluation reserve | 195,000 | – | – | 195,000 |
| | <u>949,318</u> | <u>985,207</u> | <u>(1,166,303)</u> | <u>768,222</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

22. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 290,861 | 290,861 |
| Investments | 280,000 | 280,000 |
| Current assets | 277,078 | 277,078 |
| Creditors less than 1 year | (29,180) | (29,180) |
| Creditors greater than 1 year | (239,034) | (239,034) |
| Net assets | 579,725 | 579,725 |

| | Unrestricted Funds £ | Total Funds 2021 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 296,275 | 296,275 |
| Investments | 280,000 | 280,000 |
| Current assets | 436,334 | 436,334 |
| Creditors less than 1 year | (3,231) | (3,231) |
| Creditors greater than 1 year | (241,156) | (241,156) |
| Net assets | 768,222 | 768,222 |

23. Analysis of changes in net debt

| | At 1 Jan 2022 £ | Cash flows £ | At 31 Dec 2022 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 18,780 | (5,621) | 13,159 |
| Debt due within one year | – | (1,060) | (1,060) |
| Debt due after one year | (31,156) | 2,122 | (29,034) |
| | <u>(12,376)</u> | <u>(4,559)</u> | <u>(16,935)</u> |

24. Related parties

During the year, various members of the Assembly, who are also students of the Institute, received bursaries amounting to £148,600 (2021: £154,597) and wages amounting to £23,344 (2021 £17,699).

25. Taxation

Institute for Higher Rabbinical Studies is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales - Charity number 313338

Accounts

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2021

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2021

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Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

| | |
|------------------------------------|--|
| Registered charity name | Institute for Higher Rabbinical Studies |
| Charity registration number | 313338 |
| Principal office | 9 Hartington Street Gateshead Tyne & Wear NE8 4EN |
| Trustees | Rabbi H Emanuel Rabbi J A Oppenheimer |
| Council | Rabbi J A Oppenheimer (Chairman) Rabbi D Silkin (Hon Secretary) Rabbi M J Karnowsky (Treasurer) Rabbi H Emanuel Rabbi D J Bowden |
| Assembly | S Beaton D Begal Y Cooper Y Grodzinski E Gruner G Heilpern J Lieberman B Bitensky Y Kaufman M D Zahn D Bernstein E Turner H Sulzbacher |
| Independent examiner | Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL |

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Structure, governance and management

The charity was established under a constitution circa end of 1941.

Governing Document

The charity is unincorporated and is governed by its constitution drawn up at the end of 1941 and which was amended on 21 August 2001.

Governing body and appointment of trustees

The structure of the charity consists of one set of trustees. The board of trustees and the council are authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

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.

Structure information

There is no chief executive officer. The day-to-day affairs are undertaken by Rabbi S Salomon on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The Institute is administered by an Assembly, a Council and an Executive. The Assembly meets every three years to elect the Council and to consider reports. Members of the Council hold office for three years. It meets at least once every three years. The council has powers to:

- a) Decide all matters pertaining to the raising of finance, provision of premises and the welfare of the students. They are also empowered to decide all matters pertaining to the trustees of the Institute in whose name all the properties of the Institute are invested.
- b) Admit new students.
- c) Make internal regulations which include the determination of the course of studies.

The Executive are the Chairman, Treasurer and Honorary Secretary. The Assembly appoints from among its members at least four persons to act as the Education Committee which advises the Council in the exercise of sub clauses b) and c).

Structure and relationship

Details of related party transactions are disclosed in the notes to the accounts.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Objectives and activities

The Institute known as Gateshead Kolel is an institution specialising in advanced Torah studies. Its purpose is to provide students an opportunity for an intensive programme of all aspects of Rabbinical scholarship, particularly in the field of Talmud and Jewish law.

The trustees have referred to the guidance contained in the charity commissioners' general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the bursary and grant policy for the year.

Aims and intended impact

Within these objects, the trustees aim to provide help whether financial or otherwise to all students of the Institute and to enhance the Institute's reputation by supporting local Jewish schools by way of grants and the support of their students.

Objectives for the Year

The aim this year is to continue to support the students of the Institute and the local Jewish schools as much as the financial resources allow.

Strategies to achieve the year's objectives

The Institute continues to encourage its students to go out to Jewish communities to publicise the work of the Institute and its achievements in producing outstanding Jewish communal leaders and raise funds through existing and new donors to continue its work.

Principal activities of the year

The charity's main activity was the supporting of its students through bursaries and grants to local Jewish schools.

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.

Grant-making policy

The policy is to assist existing and new students financially in their studies through bursaries in accordance with their need and to make grants to local Jewish schools where possible.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

RISK MANAGEMENT

The trustees are responsible for the management of the risks faced by the charity. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Comprehensive strategic planning and budgeting;
- Established organisations structure and lines of reporting;
- Clear authorisation and approval levels.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Through the risk management processes established for the Charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations. Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the investments and prevailing market conditions as well as ability to maintain tenants or lease holders. The trustees regularly review the loans to value as well as the occupancy levels to ensure there is headroom on these investments and they are as profitable as possible.

Achievements and performance

The results for the year are shown in the financial statements.

The trustees consider that the performance of the charity this year has been satisfactory.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Financial review

Net expenditure and net movement for the year amounted to (£181,096) and total unrestricted funds as at 31 December 2021 were £768,222. The free reserves, being the net current assets of the charity, amounted to £433,103.

Fundraising costs are as disclosed in the notes to the accounts.

The trustees reviewed the value of the land and buildings during the year. The trustees considered that the fair value of the land and buildings is the same as last year owing to the yields being almost static.

The trustees are satisfied that funds available are sufficient to permit the trust to continue in operation and to carry on the same level of charitable expenditure.

Reserves policy

The trustees aim to distribute the vast majority of donations received in any year while maintaining a sufficient level of reserves to meet ongoing costs. The amount of reserves to be held is reviewed annually.

The amount of expenditure made in any period will take into account the necessity to have these reserves available in accordance with the trustees' policy.

Coronavirus

The trustees have considered the impact of coronavirus on the charity and have concluded that the impact has been minimal.

Investment policy and objectives

There were no new investments made in the year.

The investments of the charity have provided a gross return of 5% in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Plans for future periods

The trustees aim to continue to pay out grants and bursaries in line with the objects of the constitution.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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 2 September 2022 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

Independent Examiner's Report to the Trustees of Institute for Higher Rabbinical Studies

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of Institute for Higher Rabbinical Studies ('the charity') for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

2 September 2022

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2021

| | | 2021 | | 2020 |
|---|------|-------------------------|-------------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 953,281 | 953,281 | 791,566 |
| Investment income | 5 | 31,926 | 31,926 | 13,358 |
| Total income | | <u>985,207</u> | <u>985,207</u> | <u>804,924</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 6 | 40,472 | 40,472 | 4,479 |
| Expenditure on charitable activities | 7,8 | 1,125,831 | 1,125,831 | 773,055 |
| Total expenditure | | <u>1,166,303</u> | <u>1,166,303</u> | <u>777,534</u> |
| Net gains on investments | 11 | – | – | 40,000 |
| Net (expenditure)/income and net movement in funds | | <u>(181,096)</u> | <u>(181,096)</u> | <u>67,390</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 949,318 | 949,318 | 881,928 |
| Total funds carried forward | | <u>768,222</u> | <u>768,222</u> | <u>949,318</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 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2021

| | Note | 2021 £ | £ | 2020 £ |
|--|------|----------------|-----------------------|-----------------------|
| Fixed assets | | | | |
| Tangible fixed assets | 16 | | 296,275 | 302,450 |
| Investments | 17 | | <u>280,000</u> | <u>280,000</u> |
| | | | 576,275 | 582,450 |
| Current assets | | | | |
| Debtors | 18 | 417,554 | | 417,554 |
| Cash at bank and in hand | | <u>18,780</u> | | <u>43,506</u> |
| | | 436,334 | | 461,060 |
| Creditors: amounts falling due within one year | 19 | <u>3,231</u> | | <u>2,700</u> |
| Net current assets | | | <u>433,103</u> | <u>458,360</u> |
| Total assets less current liabilities | | | 1,009,378 | 1,040,810 |
| Creditors: amounts falling due after more than one year | 20 | | <u>241,156</u> | <u>91,492</u> |
| Net assets | | | <u><u>768,222</u></u> | <u><u>949,318</u></u> |
| Funds of the charity | | | | |
| Unrestricted funds: | | | | |
| Revaluation reserve | | 195,000 | | 195,000 |
| Other unrestricted income funds | | <u>573,222</u> | | <u>754,318</u> |
| Total unrestricted funds | | <u>768,222</u> | | <u>949,318</u> |
| Total charity funds | 21 | | <u><u>768,222</u></u> | <u><u>949,318</u></u> |

These financial statements were approved by the board of trustees and authorised for issue on 2 September 2022, and are signed on behalf of the board by:

Rabbi H Emanuel
Trustee

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2021

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Cash flows from operating activities | | |
| Net (expenditure)/income | (181,096) | 67,390 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 6,175 | 6,530 |
| Net gains on investments | – | (40,000) |
| Dividends, interest and rents from investments | (31,926) | (13,358) |
| Interest payable and similar charges | (337) | – |
| Accrued expenses | 180 | – |
| <i>Changes in:</i> | | |
| Trade and other debtors | – | (162,000) |
| Trade and other creditors | 150,351 | (408) |
| Cash generated from operations | (56,653) | (141,846) |
| Interest paid | 337 | – |
| Net cash used in operating activities | (56,316) | (141,846) |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 31,926 | 13,358 |
| Purchase of tangible assets | – | (48,863) |
| Proceeds from sale of other investments | – | 180,000 |
| Net cash from investing activities | 31,926 | 144,495 |
| Cash flows from financing activities | | |
| Proceeds from borrowings | (336) | 31,492 |
| Net cash (used in)/from financing activities | (336) | 31,492 |
| Net (decrease)/increase in cash and cash equivalents | (24,726) | 34,141 |
| Cash and cash equivalents at beginning of year | 43,506 | 9,365 |
| Cash and cash equivalents at end of year | 18,780 | 43,506 |

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements

Year ended 31 December 2021

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 9 Hartington Street, Gateshead, Tyne & Wear, NE8 4EN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the Balance Sheet date.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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 less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 1% straight line |
| Fixtures & Fittings | - | 10% reducing balance |
| Religious perquisites & Study Books | - | 10% reducing balance |

Investments

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

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|---------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 953,281 | 953,281 | 769,998 | 769,998 |
| Grants | | | | |
| Grants receivable: J R S Grants | – | – | 21,568 | 21,568 |
| | <u>953,281</u> | <u>953,281</u> | <u>791,566</u> | <u>791,566</u> |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-----------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from investment properties | <u>31,926</u> | <u>31,926</u> | <u>13,358</u> | <u>13,358</u> |

6. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Fundraising costs | <u>40,472</u> | <u>40,472</u> | <u>4,479</u> | <u>4,479</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

7. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Direct charitable expenditure | 1,114,649 | 1,114,649 | 758,024 | 758,024 |
| Support costs | 11,182 | 11,182 | 15,031 | 15,031 |
| | <u>1,125,831</u> | <u>1,125,831</u> | <u>773,055</u> | <u>773,055</u> |

8. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2021 £ | Total fund 2020 £ |
|-------------------------------|---|-------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Direct charitable expenditure | 758,969 | 355,680 | 8,300 | 1,122,949 | 770,249 |
| Governance costs | – | – | 2,882 | 2,882 | 2,806 |
| | <u>758,969</u> | <u>355,680</u> | <u>11,182</u> | <u>1,125,831</u> | <u>773,055</u> |

9. Analysis of support costs

| | Analysis of support costs £ | Total 2021 £ | Total 2020 £ |
|------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs | 8,300 | 8,300 | 10,736 |
| General office | – | – | 1,489 |
| Governance costs | 2,882 | 2,882 | 2,806 |
| | <u>11,182</u> | <u>11,182</u> | <u>15,031</u> |

10. Analysis of grants

| | 2021 £ | 2020 £ |
|-------------------------------|-----------------------|---------------|
| Grants to institutions | | |
| Grants to schools | 8,980 | 10,160 |
| Lelok | 285,000 | – |
| The Gateshead Kolel Ltd | 61,700 | 47,700 |
| | <u>355,680</u> | <u>57,860</u> |
| Total grants | <u>355,680</u> | <u>57,860</u> |

11. Net gains on investments

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|---------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Gains/(losses) on investment property | – | – | 40,000 | 40,000 |
| | <u>–</u> | <u>–</u> | <u>40,000</u> | <u>40,000</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

12. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

| | 2021 | 2020 |
|---------------------------------------|---------------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets | <u>6,175</u> | <u>6,530</u> |

13. Independent examination fees

| | 2021 | 2020 |
|--|---------------------|--------------|
| | £ | £ |
| Fees payable to the independent examiner for: Independent examination of the financial statements | <u>2,880</u> | <u>2,700</u> |

14. Staff costs

The average head count of employees during the year was 10 (2020: 10). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2021 | 2020 |
|-----------------------|------------------|-----------|
| | No. | No. |
| Number of admin staff | 1 | 1 |
| Number of other staff | <u>9</u> | <u>9</u> |
| | <u>10</u> | <u>10</u> |

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustee remuneration and expenses

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

16. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | User defined asset £ | Total £ |
|---|----------------------------|-------------------------------|----------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2021 and 31 December 2021 | <u>298,863</u> | <u>63,293</u> | <u>90,531</u> | <u>452,687</u> |
| Depreciation | | | | |
| At 1 January 2021 | 28,291 | 56,425 | 65,521 | 150,237 |
| Charge for the year | <u>2,988</u> | <u>686</u> | <u>2,501</u> | <u>6,175</u> |
| At 31 December 2021 | <u>31,279</u> | <u>57,111</u> | <u>68,022</u> | <u>156,412</u> |
| Carrying amount | | | | |
| At 31 December 2021 | <u>267,584</u> | <u>6,182</u> | <u>22,509</u> | <u>296,275</u> |
| At 31 December 2020 | <u>270,572</u> | <u>6,868</u> | <u>25,010</u> | <u>302,450</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

17. Investments

| | Investment properties £ |
|---|-------------------------------|
| Cost or valuation At 1 January 2021 and 31 December 2021 | 280,000 |
| Impairment At 1 January 2021 and 31 December 2021 | |
| Carrying amount At 31 December 2021 | 280,000 |
| At 31 December 2020 | 280,000 |

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

Valuation of the investment property was undertaken at the request of the trustees by competent valuers who do not hold relevant qualifications but have a working knowledge of investment property. The valuation method is at fair value equating to market value which includes considering the yields from the properties.

18. Debtors

| | 2021 £ | 2020 £ |
|---------------|-----------|-----------|
| Other debtors | 417,554 | 417,554 |

19. Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---------------------------------|-----------|-----------|
| Accruals and deferred income | 2,880 | 2,700 |
| Social security and other taxes | 351 | - |
| | 3,231 | 2,700 |

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

| | 2021 £ | 2020 £ |
|---------------------------|-----------|-----------|
| Bank loans and overdrafts | 31,156 | 31,492 |
| Other creditors | 210,000 | 60,000 |
| | 241,156 | 91,492 |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

21. Analysis of charitable funds

Unrestricted funds

| | At 01 Jan 2021 £ | Income £ | Expenditure £ | Gains and losses £ | At 31 Dec 2021 £ |
|---------------------|------------------------|----------------|--------------------|--------------------------|------------------------|
| General funds | 754,318 | 985,207 | (1,166,303) | – | 573,222 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>949,318</u> | <u>985,207</u> | <u>(1,166,303)</u> | <u>–</u> | <u>768,222</u> |

| | At 01 Jan 2020 £ | Income £ | Expenditure £ | Gains and losses £ | At 31 Dec 2020 £ |
|---------------------|------------------------|----------------|------------------|--------------------------|------------------------|
| General funds | 686,928 | 804,924 | (777,534) | 40,000 | 754,318 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>881,928</u> | <u>804,924</u> | <u>(777,534)</u> | <u>40,000</u> | <u>949,318</u> |

22. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2021 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 296,275 | 296,275 |
| Investments | 280,000 | 280,000 |
| Current assets | 436,334 | 436,334 |
| Creditors less than 1 year | (3,231) | (3,231) |
| Creditors greater than 1 year | (241,156) | (241,156) |
| Net assets | <u>768,222</u> | <u>768,222</u> |

| | Unrestricted Funds £ | Total Funds 2020 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 302,450 | 302,450 |
| Investments | 280,000 | 280,000 |
| Current assets | 461,060 | 461,060 |
| Creditors less than 1 year | (2,700) | (2,700) |
| Creditors greater than 1 year | (91,492) | (91,492) |
| Net assets | <u>949,318</u> | <u>949,318</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

23. Analysis of changes in net debt

| | At 1 Jan 2021 £ | Cash flows £ | At 31 Dec 2021 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 43,506 | (24,726) | 18,780 |
| Debt due after one year | (31,492) | 336 | (31,156) |
| | <u>12,014</u> | <u>(24,390)</u> | <u>(12,376)</u> |

24. Related parties

During the year, various members of the Assembly, who are also students of the Institute, received bursaries amounting to £154,597 (2020: £152,261) and wages amounting to £17,699 (2020 £21,471).

25. Taxation

Institute for Higher Rabbinical Studies is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

INSTITUTE FOR HIGHER RABBINICAL STUDIES

England & Wales - Charity number 313338

Accounts

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2020

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2020

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Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2020

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

Reference and administrative details

| | |
|------------------------------------|--|
| Registered charity name | Institute for Higher Rabbinical Studies |
| Charity registration number | 313338 |
| Principal office | 9 Hartington Street Gateshead Tyne & Wear NE8 4EN |
| Trustees | Rabbi H Emanuel Rabbi J A Oppenheimer |
| Council | Rabbi J A Oppenheimer (Chairman) Rabbi D Silkin (Hon Secretary) Rabbi M J Karnowsky (Treasurer) Rabbi H Emanuel Rabbi D J Bowden |
| Assembly | S Beaton D Begal Y Cooper Y Grodzinski E Gruner G Heilpern J Lieberman B Bitensky Y Kaufman M D Zahn D Bernstein E Turner H Sulzbacher |
| Independent examiner | Mr Howard Schwalbe ACA 2nd Floor – Parkgates Bury New Road Prestwich Manchester M25 0TL |

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

The charity was established under a constitution circa end of 1941.

Governing Document

The charity is unincorporated and is governed by its constitution drawn up at the end of 1941 and which was amended on 21 August 2001.

Governing body and appointment of trustees

The structure of the charity consists of one set of trustees. The board of trustees and the council are authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

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.

Structure information

There is no chief executive officer. The day to day affairs are undertaken by Rabbi S Salomon on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangement for setting the pay of the charity's employees is the sole domain of the trustees.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The Institute is administered by an Assembly, a Council and an Executive. The Assembly meets every three years to elect the Council and to consider reports. Members of the Council hold office for three years. It meets at least once every three years. The council has powers to:

- a) Decide all matters pertaining to the raising of finance, provision of premises and the welfare of the students. They are also empowered to decide all matters pertaining to the trustees of the Institute in whose name all the properties of the Institute are invested.
- b) Admit new students.
- c) Make internal regulations which include the determination of the course of studies.

The Executive are the Chairman, Treasurer and Honorary Secretary. The Assembly appoints from among its members at least four persons to act as the Education Committee which advises the Council in the exercise of sub clauses b) and c).

Structure and relationship

Details of related party transactions are disclosed in the notes to the accounts.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

The Institute known as Gateshead Kolel is an institution specialising in advanced Torah studies. Its purpose is to provide students an opportunity for an intensive programme of all aspects of Rabbinical scholarship, particularly in the field of Talmud and Jewish law.

The trustees have referred to the guidance contained in the charity commissioners' general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the bursary and grant policy for the year.

Aims and intended impact

Within these objects, the trustees aim to provide help whether financial or otherwise to all students of the Institute and to enhance the Institute's reputation by supporting local Jewish schools by way of grants and the support of their students.

Objectives for the Year

The aim this year is to continue to support the students of the Institute and the local Jewish schools as much as the financial resources allow.

Strategies to achieve the year's objectives

The Institute continues to encourage its students to go out to Jewish communities to publicise the work of the Institute and its achievements in producing outstanding Jewish communal leaders and raise funds through existing and new donors to continue its work.

Principal activities of the year

The charity's main activity was the supporting of its students through bursaries and grants to local Jewish schools.

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.

Grant-making policy

The policy is to assist existing and new students financially in their studies through bursaries in accordance with their need and to make grants to local Jewish schools where possible.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each objects. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

RISK MANAGEMENT

The trustees are responsible for the management of the risks faced by the charity. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Comprehensive strategic planning and budgeting;
- Established organisations structure and lines of reporting;
- Clear authorisation and approval levels.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Through the risk management processes established for the Charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations. Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the investments and prevailing market conditions as well as ability to maintain tenants or lease holders. The trustees regularly review the loans to value as well as the occupancy levels to ensure there is headroom on these investments and they are as profitable as possible.

Achievements and performance

The results for the year are shown in the financial statements.

The trustees consider that the performance of the charity this year has been satisfactory.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial review

Net income and net movement for the year amounted to £67,390 and total unrestricted funds as at 31 December 2020 were £949,318. The free reserves, being the net current assets of the charity, amounted to £458,360.

The trustees reviewed the value of the land and buildings during the year. The trustees considered that the fair value of the land and buildings is the same as last year owing to the yields being almost static.

The trustees are satisfied that funds available are sufficient to permit the trust to continue in operation and to carry on the same level of charitable expenditure.

Reserves policy

The trustees aim to distribute the vast majority of donations received in any year while maintaining a sufficient level of reserves to meet ongoing costs. The amount of reserves to be held is reviewed annually.

The amount of expenditure made in any period will take into account the necessity to have these reserves available in accordance with the trustees' policy.

Coronavirus

The trustees have considered the impact of coronavirus on the charity and specifically on the value of the investment properties. The trustees have taken advice and consider it too early to reduce the value of the investment property as there are no material indications yet to suggest a reduction in the values. This may change in the coming months and will be reported on next year.

Investment policy and objectives

There were no new investments made in the year.

The investments of the charity have provided a gross return of 5% in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Plans for future periods

The trustees aim to continue to pay out grants and bursaries in line with the objects of the constitution.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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 6 September 2021 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

Independent Examiner's Report to the Trustees of Institute for Higher Rabbinical Studies

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Institute for Higher Rabbinical Studies ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

6 September 2021

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2020

| | | 2020 | | 2019 |
|---|------|-------------------------|-----------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 791,566 | 791,566 | 722,798 |
| Investment income | 5 | 13,358 | 13,358 | 20,250 |
| Total income | | <u>804,924</u> | <u>804,924</u> | <u>743,048</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 6 | 4,479 | 4,479 | 19,044 |
| Expenditure on charitable activities | 7,8 | 773,055 | 773,055 | 758,859 |
| Total expenditure | | <u>777,534</u> | <u>777,534</u> | <u>777,903</u> |
| Net gains on investments | 11 | 40,000 | 40,000 | – |
| Net income/(expenditure) and net movement in funds | | <u>67,390</u> | <u>67,390</u> | <u>(34,855)</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 881,928 | 881,928 | 916,783 |
| Total funds carried forward | | <u>949,318</u> | <u>949,318</u> | <u>881,928</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 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2020

| | Note | 2020 £ | £ | 2019 £ |
|--|------|----------------|------------------|-----------|
| Fixed assets | | | | |
| Tangible fixed assets | 16 | | 302,450 | 260,117 |
| Investments | 17 | | 280,000 | 420,000 |
| | | | 582,450 | 680,117 |
| Current assets | | | | |
| Debtors | 18 | 417,554 | | 255,554 |
| Cash at bank and in hand | | 43,506 | | 9,365 |
| | | 461,060 | | 264,919 |
| Creditors: amounts falling due within one year | 19 | 2,700 | | 3,108 |
| Net current assets | | | 458,360 | 261,811 |
| Total assets less current liabilities | | | 1,040,810 | 941,928 |
| Creditors: amounts falling due after more than one year | 20 | | 91,492 | 60,000 |
| Net assets | | | 949,318 | 881,928 |
| Funds of the charity | | | | |
| Unrestricted funds: | | | | |
| Revaluation reserve | | 195,000 | | 195,000 |
| Other unrestricted income funds | | 754,318 | | 686,928 |
| Total unrestricted funds | | 949,318 | | 881,928 |
| Total charity funds | 21 | | 949,318 | 881,928 |

These financial statements were approved by the board of trustees and authorised for issue on 6 September 2021, and are signed on behalf of the board by:

Rabbi H Emanuel
Trustee

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2020

| | 2020 | 2019 |
|---|----------------------|---------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net income/(expenditure) | 67,390 | (34,855) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 6,530 | 6,607 |
| Net gains on investments | (40,000) | – |
| Dividends, interest and rents from investments | (13,358) | (20,250) |
| <i>Changes in:</i> | | |
| Trade and other debtors | (162,000) | 28,000 |
| Trade and other creditors | (408) | (22) |
| Cash generated from operations | <u>(141,846)</u> | <u>(20,520)</u> |
| Net cash used in operating activities | <u>(141,846)</u> | <u>(20,520)</u> |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 13,358 | 20,250 |
| Purchase of tangible assets | (48,863) | (48) |
| Proceeds from sale of other investments | 180,000 | – |
| Net cash from investing activities | <u>144,495</u> | <u>20,202</u> |
| Cash flows from financing activities | | |
| Proceeds from borrowings | 31,492 | – |
| Net cash from financing activities | <u>31,492</u> | <u>–</u> |
| Net increase/(decrease) in cash and cash equivalents | 34,141 | (318) |
| Cash and cash equivalents at beginning of year | 9,365 | 9,682 |
| Cash and cash equivalents at end of year | <u>43,506</u> | <u>9,364</u> |

The notes on pages 11 to 20 form part of these financial statements.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 9 Hartington Street, Gateshead, Tyne & Wear, NE8 4EN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the trustees for specific purposes. There are no designated funds at the Balance Sheet date.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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 less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 1% straight line |
| Fixtures & Fittings | - | 10% reducing balance |
| Religious perquisites & Study Books | - | 10% reducing balance |

Investments

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

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2020 £ | Unrestricted Funds £ | Total Funds 2019 £ |
|---------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 769,998 | 769,998 | 722,798 | 722,798 |
| Grants | | | | |
| Grants receivable: J R S Grants | 21,568 | 21,568 | – | – |
| | <u>791,566</u> | <u>791,566</u> | <u>722,798</u> | <u>722,798</u> |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2020 £ | Unrestricted Funds £ | Total Funds 2019 £ |
|-----------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from investment properties | 13,358 | 13,358 | 20,250 | 20,250 |

6. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2020 £ | Unrestricted Funds £ | Total Funds 2019 £ |
|-------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Fundraising costs | 4,479 | 4,479 | 19,044 | 19,044 |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements (continued)

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2020 £ | Unrestricted Funds £ | Total Funds 2019 £ |
|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Direct charitable expenditure | 758,024 | 758,024 | 746,007 | 746,007 |
| Support costs | 15,031 | 15,031 | 12,852 | 12,852 |
| | <u>773,055</u> | <u>773,055</u> | <u>758,859</u> | <u>758,859</u> |

8. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Grant funding of activities £ | Support costs £ | Total funds 2020 £ | Total fund 2019 £ |
|-------------------------------|---|-------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Direct charitable expenditure | 700,164 | 57,860 | 12,225 | 770,249 | 756,159 |
| Governance costs | – | – | 2,806 | 2,806 | 2,700 |
| | <u>700,164</u> | <u>57,860</u> | <u>15,031</u> | <u>773,055</u> | <u>758,859</u> |

9. Analysis of support costs

| | Analysis of support costs £ | Total 2020 £ | Total 2019 £ |
|------------------|-----------------------------------|-------------------------|-----------------|
| Staff costs | 10,736 | 10,736 | 10,146 |
| General office | 1,489 | 1,489 | 6 |
| Governance costs | 2,806 | 2,806 | 2,700 |
| | <u>15,031</u> | <u>15,031</u> | <u>12,852</u> |

10. Analysis of grants

| | 2020 £ | 2019 £ |
|-------------------------------|----------------------|---------------|
| Grants to institutions | | |
| Grants to schools | 10,160 | 10,730 |
| The Gateshead Kolel Ltd | 47,700 | 69,600 |
| | <u>57,860</u> | <u>80,330</u> |
| Total grants | <u>57,860</u> | <u>80,330</u> |

11. Net gains on investments

| | Unrestricted Funds £ | Total Funds 2020 £ | Unrestricted Funds £ | Total Funds 2019 £ |
|---------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Gains/(losses) on investment property | 40,000 | 40,000 | – | – |
| | <u>40,000</u> | <u>40,000</u> | <u>–</u> | <u>–</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

| | 2020 | 2019 |
|---------------------------------------|---------------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets | <u>6,530</u> | <u>6,607</u> |

13. Independent examination fees

| | 2020 | 2019 |
|--|---------------------|--------------|
| | £ | £ |
| Fees payable to the independent examiner for: Independent examination of the financial statements | <u>2,700</u> | <u>2,700</u> |

14. Staff costs

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

| | 2020 | 2019 |
|--------------------|----------------------|---------------|
| | £ | £ |
| Wages and salaries | <u>79,984</u> | <u>77,612</u> |

The average head count of employees during the year was 10 (2019: 11). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2020 | 2019 |
|-----------------------|------------------|-----------|
| | No. | No. |
| Number of admin staff | 1 | 1 |
| Number of other staff | <u>9</u> | <u>10</u> |
| | <u>10</u> | <u>11</u> |

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

15. Trustee remuneration and expenses

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Tangible fixed assets

| | Land and buildings £ | Fixtures and fittings £ | User defined asset £ | Total £ |
|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2020 | 250,000 | 63,293 | 90,531 | 403,824 |
| Additions | 48,863 | – | – | 48,863 |
| At 31 December 2020 | <u>298,863</u> | <u>63,293</u> | <u>90,531</u> | <u>452,687</u> |
| Depreciation | | | | |
| At 1 January 2020 | 25,302 | 55,662 | 62,743 | 143,707 |
| Charge for the year | 2,989 | 763 | 2,778 | 6,530 |
| At 31 December 2020 | <u>28,291</u> | <u>56,425</u> | <u>65,521</u> | <u>150,237</u> |
| Carrying amount | | | | |
| At 31 December 2020 | <u>270,572</u> | <u>6,868</u> | <u>25,010</u> | <u>302,450</u> |
| At 31 December 2019 | <u>224,698</u> | <u>7,631</u> | <u>27,788</u> | <u>260,117</u> |

17. Investments

| | Investment properties £ |
|---|-------------------------------|
| Cost or valuation | |
| At 1 January 2020 | 420,000 |
| Additions | – |
| Disposals | (140,000) |
| At 31 December 2020 | <u>280,000</u> |
| Impairment | |
| At 1 January 2020 and 31 December 2020 | |
| Carrying amount | |
| At 31 December 2020 | <u>280,000</u> |
| At 31 December 2019 | <u>420,000</u> |

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

Valuation of the investment property was undertaken at the request of the trustees by competent valuers who do not hold relevant qualifications but have a working knowledge of investment property. The valuation method is at fair value equating to market value which includes considering the yields from the properties.

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

18. Debtors

| | 2020 £ | 2019 £ |
|---------------|----------------|----------------|
| Other debtors | <u>417,554</u> | <u>255,554</u> |

19. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|---------------------------------|--------------|--------------|
| Accruals and deferred income | 2,700 | 2,700 |
| Social security and other taxes | – | 408 |
| | <u>2,700</u> | <u>3,108</u> |

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

| | 2020 £ | 2019 £ |
|---------------------------|---------------|---------------|
| Bank loans and overdrafts | 31,492 | – |
| Other creditors | 60,000 | 60,000 |
| | <u>91,492</u> | <u>60,000</u> |

21. Analysis of charitable funds

Unrestricted funds

| | At 01 Jan 2020 £ | Income £ | Expenditure £ | Gains and losses £ | At 31 Dec 2020 £ |
|---------------------|------------------------|----------------|------------------|--------------------------|------------------------|
| General funds | 686,928 | 804,924 | (777,534) | 40,000 | 754,318 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>881,928</u> | <u>804,924</u> | <u>(777,534)</u> | <u>40,000</u> | <u>949,318</u> |
| | At 01 Jan 2019 £ | Income £ | Expenditure £ | Gains and losses £ | At 31 Dec 2019 £ |
| General funds | 721,783 | 743,048 | (777,903) | – | 686,928 |
| Revaluation reserve | 195,000 | – | – | – | 195,000 |
| | <u>916,783</u> | <u>743,048</u> | <u>(777,903)</u> | <u>–</u> | <u>881,928</u> |

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

22. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2020 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 302,450 | 302,450 |
| Investments | 280,000 | 280,000 |
| Current assets | 461,060 | 461,060 |
| Creditors less than 1 year | (2,700) | (2,700) |
| Creditors greater than 1 year | (91,492) | (91,492) |
| Net assets | 949,318 | 949,318 |

| | Unrestricted Funds £ | Total Funds 2019 £ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 260,117 | 260,117 |
| Investments | 420,000 | 420,000 |
| Current assets | 264,919 | 264,919 |
| Creditors less than 1 year | (3,108) | (3,108) |
| Creditors greater than 1 year | (60,000) | (60,000) |
| Net assets | 881,928 | 881,928 |

23. Analysis of changes in net debt

| | At 1 Jan 2020 £ | Cash flows £ | At 31 Dec 2020 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 9,365 | 34,141 | 43,506 |
| Debt due after one year | — | (31,492) | (31,492) |
| | <u>9,365</u> | <u>2,649</u> | <u>12,014</u> |

24. Related parties

During the year, various members of the Assembly, who are also students of the Institute, received bursaries amounting to £153,261 (2019: £163,247) and wages amounting to £21,471 (2019 £20,638).

25. Taxation

Institute for Higher Rabbinical Studies is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.