PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales · Charity number 313900

Details

Status	Registered
Legal form	Charitable company
Company number	00395846
Registered	1963-10-28
Register	View on the Charity Commission register

Contact

Address	Knox Cropper LLP Office Suite 1 Haslemere House Lower Street Haslemere Surrey GU27 2PE
Phone	01428652788

Activities

Objects: (A) TO PROMOTE, FURTHER AND ASSIST DIRECTLY OR INDIRECTLY THE EDUCATION (INCLUDING HUMANE AND TECHNICAL EDUCATION) IN THE STATE OF ISRAEL AND COUNTRIES OUTSIDE THE STATE OF ISRAEL AND IN PARTICULAR THOSE BETWEEN THE AGES OF 12 AND 20 WHO (IN THE ABSOLUTE AND UNCONTROLLED DISCRETION OF THE COUNCIL OF MANAGEMENT FOR THE TIME BEING OF THE TRUST) SHALL BELONG TO OR BE IDENTIFIED WITH ANY JEWISH COMMUNITY OR CONGREGATION IN THE STATE OF ISRAEL OR IN COUNTRIES OUTSIDE THE STATE OF ISRAEL, (ALL OF WHICH YOUNG PERSONS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS 'JEWISH YOUTH') WITH A VIEW TO IMBUING THE JEWISH YOUNG WITH A SPIRIT OF GOODWILL, MUTUAL UNDERSTANDING, COLLABORATION AND UNITY AND RAISING THE LEVEL OF EDUCATION AND CULTURE AND AMELIORATING CONDITIONS OF LIFE IN THE STATE OF ISRAEL. (FOR DETAILS SEE CLAUSE 3 OF GOVERNING INSTRUMENT

Activities: PRIMARY:- Educational activities and seminars for Jewish Youth- Communal leadership of Ethiopian Youth- Educational Media and Communication CentreSECONDARY:- General education Seminars- Educational centres- Renovation and modernisation of facilities- Co-operation with the Boston-Haifa partnership

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Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** STATE OF ISRAEL AND COUNTRIES OUTSIDE THE STATE OF ISRAEL
- Israel
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£509,002	£549,504	£4,604,887	10
2023-12-31	£506,599	£622,644	£4,404,779	11
2022-12-31	£517,990	£512,355	£4,419,629	9
2021-12-31	£396,481	£400,250	-	-
2020-12-31	£332,322	£356,132	-	-

Trustees

Name	Role	Appointed
ABRAHAM RUTENBERG		
DOMINIC BRENDAN FLYNN		2013-09-16
JANET BERYL BLOCH		
JUDITH SUSAN PORTRAIT		
MR D RUTENBERG		
PROFESSOR ISRAEL AGRANAT		
Sarah Jane Devitt		2024-12-06

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PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales - Charity number 313900

Accounts

Registered number: 00395846
Charity number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

KNOX CROPPER
chartered accountants

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

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PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees (known as the Council of Management)	Mr David Rutenberg Miss Judith S Portrait Mr Isaac Meshoulam (Retired 24 October 2024) Professor Israel Agranat Mrs Janet B Bloch Mr Abraham Rutenberg Mr Dominic B Flynn Mrs Sarah J Devitt (Appointed 6 December 2024)
Company registered number	00395846
Charity registered number	313900
Registered office	Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Principal operating office	The Pinhas Rutenberg Institute for Youth Education 77 Hanassi Avenue Haifa Israel
Company secretary	Knox Cropper Trustee Limited
Independent auditor	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Investment advisors & Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Barclays Bank Plc 80 Fleet Street London EC4Y 1ET
Solicitors	Broadfield Law UK LLP One Bartholomew Close London EC1A 7BL

The trustees present their annual report together with the audited financial statements of the group and company for the year 1 January 2024 to 31 December 2024. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the trust and the group qualifies as small under section 383 of the Companies Act 2006, the strategic report of medium and large companies is not required.

STRUCTURE, GOVERNANCE AND MANAGMENT

a. Constitution

The trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 June 1945.

The trust is constituted under a Memorandum of Association dated 1 June 1945 and is a registered charity with number 313900.

b. Methods of appointment or election of trustees

The management of the trust is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Council of Management have assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The Pinhas Rutenberg Educational Trust ('PRET') was funded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel.

b. Main activities undertaken to further the company's purposes for the public benefit

The main object of PRET is to provide at its Institute in Haifa, Israel, informal education for young people by providing a framework which is not part of the State's official school system but complementary to it. The Institute assists and supports subjects where official or formal education is lacking. Over the years, the Institute's activities have developed greatly and now cover a wide range of educational projects all of which are guided by the object of fulfilling the objects of the charity.

The Council of Management have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

1. General

The Pinhas Rutenberg Educational Trust ("PRET") was founded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel. Throughout the years Mr Abraham Rutenberg and later Mr Alexander Rutenberg also donated funds and worked to implement the cause of the Trust.

This report summarises the PRET educational activities conducted in 2024, during a time of war in Israel, which significantly affected the Institute's focus.

2. Main Activities - 2024

2.1 Introduction To Electricity in the Modern House: This project was a pilot initiative conducted in collaboration with the Israel Electric Corporation, the Ministry of Education, and the Haifa Municipality. It involved 120 high school students who were introduced to fundamental concepts in electricity - including electric power, energy demand and supply, and residential solar panel systems - as well as basic programming of computerised home control systems. The project's goal was to evaluate a proposed educational syllabus aimed at promoting informed and responsible energy use among high school students.

2.2 The computerised robotics programme was postponed due to wartime conditions. Despite strong interest from young students, the high cost of restoring the necessary infrastructure (computers and robotic components) has hindered further development of the programme.

2.3 Cyber Project Development: The Cyber project in co-operation with the I.D.F. and the Rashi Trust is developing well. The Institute is becoming the preferred location of training Cyber Instructor from all parts of Israel. The Institute also host weekly some 150 young students in training cyber technology. The Cyber project has the potential of development with time. In year 2025 (September) we plan to open another cyber class and have some 200 weekly participants. The current syllabus is already modified to include AI technology.

2.4 A new initiative with the Boston-Haifa Partnership has been started to prompt and ensure the success of the youth from low social economic status before entry service in the I.D.F. The activity is in groups of 30 youngsters twice a week.

3. Secondary Activities – 2024

3.1 Renovation and Modernisation of Facilities: The Institute maintained the upkeep of the property in accordance with regulatory standards. An effort to let buildings, which were not in efficient use, to generate income was made. This assists in funding of educational programmes.

3.2 Co-operation with the Boston-Haifa Partnership: The Institute provided rooms and facilities for the offices of the Boston-Haifa Partnership. Since the Boston-Haifa Partnership is involved in activities and seminars for Jewish Youth, it is hoped that this co-operation will strengthen the Institute's ability to operate in this area.

4. Summary

The Institute has continued with its activities which are constantly measured by strict accounting standards. Budget limits have not been exceeded.

The Trustees would like to thank their long-time friend and supporter, Mr. Iko Meshoulam, on the occasion of his retirement from the PRET trustees last December. The Chairman in particular wishes to formally record his deep appreciation for his many years of loyal service and unwavering support.

FINANCIAL REVIEW

a. Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

b. Reserves policy

The trust makes available all its investment and voluntary income to the Pinhas Rutenberg Institute in Haifa. The Council of Management examines cash flow throughout the year and is satisfied that the trust is in a position to meet any commitment it may make out of income and that its reserves are sufficient for its purpose. The capital is expendable endowment.

Unrestricted funds at 31 December 2024 totalled £4,604,262 of which £3,745,022 is capital, £613,778 represents unrealised gains and losses on investments which the trustees regard as capital, according to trust law. The balance of £245,462 includes £255,404 of tangible fixed assets held for the Trust's own use resulting in free reserves of £(9,942) available to be spent at the discretion of the trustees in accordance with the terms of the trust's objects.

The Council of Management considers that the Trust has adequate resources available, on a fund by fund basis, to meet its foreseeable requirements.

c. Financial Review of the year

Incoming resources for the year amounted to £509,002 (2023: £506,599) including amounts contributed by various bodies co-operating in and benefitting from the Trust's educational activities of £362,552 (2023: £398,008), other grants and contributions of £3,000 (2023: £8,000), and investment income of £143,450 (2023: £100,591). Resources expended amounted to £549,504 (2023: £622,644) giving rise to net outgoing resources from operations before investment gains of £40,502 (2023: net outgoing resources of £116,045). The net increase in the Trust's funds in the year, investment and pension liability movements and exchange differences, was £200,108 (2023: decrease £14,850).

Consolidated net assets at 31 December 2024 amounted to £4,604,887 (2023: £4,404,779), represented by fixed asset investments of £4,340,474, tangible fixed assets of £255,404, net current assets of £42,844 less provisions of £33,835. The value of listed investments held at the end of the year was £613,778 (2023: £1,756,546) in excess of cost, as represented by the revaluation reserve.

d. Material investments policy

The Council of Management has the power to invest in such assets as they see fit. The Council takes advice from Rathbone Investment Management Limited. The policy is to generate both income and capital. The fund manager has maintained a high percentage of gilts which has provided a stabilising factor.

The Council of Management confirms that all investments held have been acquired in accordance with the powers available to it.

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

The Council of Management expects the Trust to operate at similar levels in the future.

Disclosure of information to auditor

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

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

Miss Judith S Portrait
Member of the Council of Management
17th September 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

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

Opinion

We have audited the financial statements of Pinhas Rutenberg Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures in both the UK and Israel. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations, and charitable activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

J. Holland-Leader

James Holland-Leader (Senior Statutory Auditor)
For an on behalf of Knox Cropper LLP
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

22nd September 2025

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income from:							
Donations and legacies	4	3,000	-	3,000	8,000	-	8,000
Charitable activities	5	300,392	-	300,392	332,668	-	332,668
Investments	6	143,450	-	143,450	100,591	-	100,591
Other Trading Activities	7	62,160	-	62,160	65,340	-	65,340
Total Income		509,002	-	509,002	506,599	-	506,599
Expenditure on:							
Raising funds	9	12,430	-	12,430	13,565	-	13,565
Charitable activities	8	537,074	-	537,074	609,079	-	609,079
Total expenditure		549,504	-	549,504	622,644	-	622,644
Net gains/(losses) on investments	12	244,342	-	244,342	81,967	-	81,967
Net income (expenditure)		203,840	-	203,840	(34,078)	-	(34,078)
Exchange difference on retranslation of Israeli Branch		(3,732)	-	(3,732)	(11,877)	-	(11,877)
Remeasurement of pension liability	15	-	-	-	31,105	-	31,105
Net movement in funds		200,108	-	200,108	(14,850)	-	(14,850)
Reconciliation of funds:							
Total funds brought forward		4,404,154	625	4,404,779	4,419,004	625	4,419,629
Total funds carried forward		4,604,262	625	4,604,887	4,404,154	625	4,404,779

All activities related to continuing operations. The notes on pages 14 to 35 form part of these financial statements.

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	11		255,404		278,370
Investments	12		4,340,474		4,053,314
			4,595,878		4,331,684
Current assets					
Debtors	13	18,830		5,281	
Cash at bank and in hand		186,303		231,968	
		205,133		237,249	
Creditors: amounts falling due within one year	14	(162,289)		(147,566)	
Net current assets			42,844		89,683
Total assets less current liabilities			4,638,722		4,421,367
Provision for liabilities	15		(33,835)		(16,588)
Net assets			4,604,887		4,404,779
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,604,262		4,404,154
Total funds			4,604,887		4,404,779

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

The financial statements were approved and authorised for issue by the trustees on 17th September 2025 and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management

The notes on pages 14 to 35 form part of these financial statements.
Company Registered Number: 00395846
Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	11		255,404		278,370
Investments	12		4,340,474		4,053,314
			4,595,878		4,331,684
Current assets					
Debtors	13	18,830		5,281	
Cash at bank and in hand		186,303		231,968	
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Net assets			4,604,887		4,404,779
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,604,262		4,404,154
Total funds			4,604,887		4,404,779

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

The financial statements were approved and authorised for issue by the trustees on 17th September 2025 and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management

The notes on pages 14 to 35 form part of these financial statements.
The net income and expenditure for the year dealt with in the accounts of the Trust was a surplus of £203,840 (2023: deficit of £34,078).
Company Registered Number: 00395846. Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	20	(109,813)	(136,413)
Cash flows from investing activities			
Dividends and interest from investments		138,747	97,113
Investment management fees		(14,208)	(13,565)
Purchases of tangible fixed assets		(14,078)	(141,407)
Purchases of fixed asset investments		-	-
Disposal proceeds on investments		1,982,151	-
Net cash provided by investing activities		2,092,612	(57,859)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the year		1,982,799	(194,272)
Cash and cash equivalents at the beginning of the year		1,040,645	1,242,879
Effect of currency translation on cash and cash equivalents		(3,495)	(7,962)
Cash and cash equivalents at the end of the year	21	3,019,949	1,040,645

The notes on pages 14 to 35 form part of these financial statements.

1. Accounting Policies

1.1 Company status

The Trust is a company limited by guarantee and is incorporated in England and Wales. The members of the Trust are the Council of Management named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The address of the registered office is Office Suite 1, Haslemere House, Lower Street, Haslemere, Surrey, GU27 2PE. The address of the principal place of business is 77 Hanassi Avenue, Haifa, Israel.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pinhas Rutenberg Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

1. Accounting Policies (continued)

1.4 Basis of consolidation

The financial statements consolidate the accounts of Pinhas Rutenberg Educational Trust and all of its subsidiary undertakings ('subsidiaries').

The subsidiary company holds the property in Israel, from which the Educational Institute is run, as nominee on behalf of its parent. The subsidiary company has no activities other than holding this property. Accordingly, a true and fair override has been adopted in the preparation of the Trust's individual balance sheet such that substance overrides legal form which would present the property as an investment in a subsidiary company which in turn owns the property. This departure is necessary to give a true and fair view. Other than the classification of this asset as a tangible fixed asset rather than a fixed asset investment, there is no impact on the financial statements as a result of this true and fair override.

Other than in the classification of fixed assets detailed above, there is no difference between the state of affairs of the parent company and that on a consolidated basis.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Israeli Electricity Company fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the reconstruction of the Pinhas Rutenberg perpetuation room.

The Arison Fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the building of a computer centre aimed at giving training in communication and information technology.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting Policies (continued)

1.6 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when received. Donations are accounted for where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised when receivable and the amount can be measured reliably. This is normally when the dividends are declared and notification has been received of the dividend due.

Income from charitable activities is accounted for when earned.

Rental income is recognised on an accruals basis in the period in accordance with the terms of the lease.

1.7 Expenditure

Costs of raising funds are costs incurred in managing the Trust's fixed asset investments, attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on Charitable activities are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the statement of financial activities as incurred.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

1. Accounting Policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 25 years
Long-term leasehold property	- over the life of the lease
Office equipment	- 10 years
Computer equipment	- 3 years
Other fixed assets	- 10-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the consolidated statement of financial activities incorporating income and expenditure account.

Listed investments are subsequently measured at fair value at the balance sheet date using the closed quoted market price.

Cash and cash equivalents are measured at the cash balance in sterling, using the spot exchange rate at the balance sheet date.

1.10 Concessionary loans

Concessionary loans are initially recorded at the consideration received and are subsequently held at amortised cost based on the implied interest rate of the loan.

1. Accounting Policies (continued)

1.11 Foreign currencies

The Trust's functional and presentational currency is Sterling (£).

Trust

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average monthly rate of exchange. All differences are taken to the profit and loss account.

Foreign enterprises

The affairs of the Trust's Israeli branch and subsidiary undertaking are considered to be not closely interlinked with those of the Trust and the results of those undertakings are not regarded as being dependent on the economic environment of the Trust's currency, due to limited transactions between the Trust and its branch and subsidiary undertaking. The functional currency of the Israeli branch is therefore considered to be the NIS (Israeli New Shekel). The results and financial position of the branch are translated to Sterling £ in accordance with paragraph 30.18 of FRS 102 as follows:

All assets and liabilities are translated at the closing rate on the balance sheet date.

Income and expenses are translated at the average exchange rate for the year, in accordance with paragraph 30.19.

All resulting exchange gains and losses are recognised in other comprehensive income.

1. Accounting Policies (continued)

1.12 Employee benefits

Short term employee benefits including holiday pay accrual

A liability is recognised to the extent of any short term employee benefits, including unused holiday pay entitlement, which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future employee benefit so accrued at the balance sheet date.

Other long term employee benefits

A liability is recognised to the extent of any long term employee benefits which is accrued at the balance sheet date and carried forward to future periods. This is measured at the net total of:

(a) the present value of the benefit obligation at the reporting date; minus
(b) the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The change in liability is recognised in the statement of financial activities.

The Israeli branch has a liability for employee severance benefits. A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Trust's liability for severance benefits to its employees is covered mainly by current deposits in the name of the employees in recognised pension funds and/or by the purchase of policies from an insurance company. The deposited amounts are not under the control and management of the Trust as therefore these amounts and the liabilities for which they were deposited are not presented in the balance sheet. Funds deposited in the Trust's name in a recognised severance pay fund in respect of the liability for severance benefits are included in the balance sheet.

1.13 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.
Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

1. Accounting Policies (continued)

1.13 Financial instruments (continued)

Financial liabilities

Basic financial liabilities, including other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Council of Management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associate assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates.

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

The following is the critical estimation that the Trustees have made in the process of applying the group's accounting policies and that have the most significant effect on the amount recognised in the financial statements.

Severance benefits

Accounting for a severance benefits and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgments are inherently complex and require a high level of management judgment and specialist input by an actuary in the calculations of the value of the liabilities.

For carrying amount of liabilities, see note 15.

3. Net income/(expenditure)

	2024 £	2023 £
Auditor's remuneration - Israel	3,366	3,522
Auditor's remuneration - UK	12,180	11,820

During the year, no Trustees received any remuneration (2023: £NIL).
During the year, no Trustees received any benefits in kind (2023: £NIL).
During the year, no Trustees received any reimbursements of expenses (2023: £NIL).

4. Income from Donations and Legacies

	2024 £	2023 £
Donation from Rest-Harrow Trust	-	3,000
Donation from Ardwick Trust	2,000	3,000
Donation from Michael & Anna Wix Charitable Trust	1,000	2,000
Total donations and legacies	3,000	8,000

5. Income from Charitable Activities

	2024 £	2023 £
Income from further education courses	56,939	47,811
Participation in various seminars and various activities including hostel facilities	27,252	69,559
Services to educational institutions	209,889	206,494
Income from courses in communications	6,312	8,804
	300,392	332,668

6. Investment Income

	2024 £	2023 £
Dividends from listed investments	20,376	19,478
Interest on Treasury stocks and corporate bonds	49,422	45,666
Interest receivable	73,652	35,447
	143,450	100,591

7. Other Trading activities

	2024 £	2023 £
Other income	62,160	65,340

Other income includes fees for cellular carrier's lease.

8. Expenditure on Charitable Activities

	2024 £	2023 £
Direct costs		
Lecturer's and instructors' fees	5,908	11,894
Victuals	7,923	11,783
Transport and travelling	-	11,220
Building maintenance and upkeep of garden, furniture and kitchen equipment	114,124	114,299
Premises taxes	90,155	158,743
Legal, bookkeeping and accountancy charges	705	5,720
Bank interest and charges	3,211	(6,951)
Insurance and rates	27,777	18,625
Communications	4,875	4,289
Sundry expenses	2,627	5,146
Wages and salaries	211,591	190,219
Depreciation	38,644	55,272
	507,540	580,259
Support costs		
Auditor's remuneration	15,546	15,342
Indemnity insurance	4,998	4,763
Legal fees	8,940	8,690
Bank charges	50	25
	29,534	28,820
	537,074	609,079

Given the limited number of projects being undertaken by the charity, the trustees consider that no further analysis of the above direct charitable expenditure would be beneficial.

9. Raising funds

	2024 £	2023 £
Investment management fees	12,430	13,565

10. Staff Costs

	2024 £	2023 £
Wages and salaries	183,183	154,298
Social security and payroll taxes	12,510	15,680
Pension costs and severance provisions	15,241	17,699
Movement in holiday provisions	657	2,542
Other costs	-	-
	211,591	190,219

The average number of persons employed by the company during the year was as follows:

	Group 2024 £	Group 2023 £
Employees	10	11

No employee received remuneration amounting to more than £60,000 in either year.

11. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2024	768,810	1,273	1,141,015	197,614	37,138	2,145,850
Additions	-	-	-	12,439	1,639	14,078
Disposals	-	-	-	-	-	-
Foreign currency translation	(285,542)	-	10,836	2,403	422	(271,881)
At 31 December 2024	483,268	1,273	1,151,851	212,456	39,199	1,888,047
Depreciation						
At 1 January 2024	768,809	567	886,612	177,825	33,667	1,867,480
Charge for the year	-	13	30,324	6,621	1,686	38,644
On disposals	-	-	-	-	-	-
Foreign currency translation	(285,542)	-	9,701	1,969	391	(273,481)
At 31 December 2024	483,267	580	926,637	186,415	35,744	1,632,643
Net book value						
At 31 December 2024	1	693	225,214	26,041	3,455	255,404
At 31 December 2023	1	706	254,403	19,789	3,471	278,370

11. Tangible fixed assets (continued)

Group (continued)

All the fixed assets are held for direct charitable purposes of the Trust and its subsidiary.

Company	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2024	1	1,273	1,141,015	197,614	37,138	1,377,041
Additions	-	-	-	12,439	1,639	14,078
Disposals	-	-	-		-	-
Foreign Currency Translation	-	-	10,836	2,403	422	13,661
At 31 December 2024	1	1,273	1,151,851	212,456	39,199	1,404,780
Depreciation						
At 1 January 2024	-	567	886,612	177,825	33,667	1,098,671
Charge for the year	-	13	30,324	6,621	1,686	38,644
On disposals	-	-	-	-	-	-
Foreign Currency Translation	-	-	9,701	1,969	391	12,061
At 31 December 2024	-	580	926,637	186,415	35,744	1,149,376
Net book value						
At 31 December 2024	1	693	225,214	26,041	3,455	255,404
At 31 December 2023	1	706	254,403	19,789	3,471	278,370

The Trust's interest in the lease expired in 2018.

All the fixed assets are held for direct charitable purposes of the Trust.

12. Fixed asset investments

Group and company	Listed securities 2024 £	Listed securities 2023 £
Market value		
At 1 January 2024	3,244,637	3,162,670
Additions	-	-
Disposals	(1,977,533)	-
Realised and unrealised gains	239,724	81,967
At 31 December 2024	1,506,828	3,244,637
Cash held by Investment Managers	2,833,646	808,677
	4,340,474	4,053,314

Group material investments

	2024 £	2023 £
2.5% Index Linked Treasury Loan Stock 2024	-	1,977,533
Berkshire Hathaway Common Stock	1,085,787	839,332
Rio Tinto Ordinary 10p	162,093	200,497
	1,247,880	3,017,362

The Trust also owns the entire share capital of Pinhas Rutenberg Trust Limited, a company incorporated in Israel. The authorised and issued share capital of this company comprises 5,000 shares of NIS 0.0001 each. The company owns properties which are used by the trust for the furtherance of its charitable activities and did not have any income or expenditure in 2024 or 2023 other than in respect of depreciation of the property. The net assets of the company are NIS 12 (2023: NIS 12).

13. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Prepayments and accrued income	8,181	3,478	8,181	3,478
Trade debtors	10,649	1,803	10,649	1,803
	18,830	5,281	18,830	5,281

14. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	34,275	11,782	34,275	11,782
Other creditors	97,131	92,465	97,131	92,465
Accruals and deferred income	30,883	43,319	30,883	43,319
	162,289	147,566	162,289	147,566

Included within other creditors is a concessionary loan of £82,989 (NIS 318,449) (2023: £79,485) from the estate of the late Mr Sandy Rutenberg. The loan principal is linked to the Israeli Consumer Price Index and does not bear interest.

15. Long term employment retirement benefits

Funds are deposited in the Trust's name in a recognised severance pay fund in respect of the liability for employee severance benefits included in the balance sheet.

The amounts in the fund included accumulated linkage and interest differences and are deposited in a severance pay fund. Withdrawal of these funds is subject to compliance with the provisions of Israeli Severance Pay Law.

	2024 £	2023 £
Funds deposited		
Liability per employee	146,077	164,075
Severance benefits	(112,242)	(180,663)
Net severance pay asset/(liability)	(33,835)	(16,588)

15. Long term employment retirement benefits (continued)

	2024 £	2023 £
Funds deposited		
Brought forward at 1 January	164,075	175,235
Return on funds less withdrawal of funds	(68,498)	31,105
Contributions by employer	17,271	-
Benefits paid	-	(29,379)
Currency translation	(606)	(12,886)
Carried forward at 31 December	112,242	164,075

	2024 £	2023 £
Liability per employee severance benefits		
Brought forward at 1 January	180,663	226,266
Movement in liability for benefits	(34,831)	(29,379)
Foreign currency translation	245	(16,224)
Carried forward at 31 December	146,077	180,663

The Trust's liability for the above is covered by deposits with an approved fund, the Central Severance Pay Fund, which is managed by Bank Leumi Le-Israel BM.

16. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount		Amount due (to)/from related parties	
		2024	2023	2024	2023
		£	£	£	£
Broadfield Law UK LLP	Fees	12,300	8,940	(2,520)	-

One Members of Council, Dominic Flynn was a Partner with Broadfield Law UK LLP (formerly BDB Pitmans LLP) until 31/03/2024.

Janet Bloch, Judith Portrait and Dominic Flynn are Trustees of the following: The Rest Harrow Trust, The Ardwick Trust and the Michael and Anna Wix Charitable Trust, who donated £Nil (2023: £3,000) £2,000 (2023: £3,000) and £1,000 (2023: £2,000) respectively.

17. Financial instruments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Financial assets				
Financial assets at fair value – fixed asset investments	1,506,828	3,244,637	1,506,828	3, 244,637
Financial assets at amortised cost – trade debtors	10,649	1,803	10,649	1,803
	1,517,477	3,246,440	1,517,477	3,246,440

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Financial liabilities				
Financial liabilities at amortised cost – trade creditors	34,275	11,782	34,275	11,782
Financial liabilities at amortised cost – concessionary loans	82,989	79,485	82,989	79,485
Income/(expense) related to financial liabilities at amortised cost	(2,637)	(2,606)	(2,637)	(2,606)
Exchange gains/(losses) related to financial liabilities at amortised cost	(3,504)	6,128	(3,504)	6,128

Financial assets measured at amortised cost include trade debtors. Financial liabilities measured at amortised cost include concessionary loans and trade creditors.

18. Statement of funds

Statement of funds – current year

	Balance at 1 January 2023	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2023
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	1,387,110	3,745,022
Revaluation reserve	1,756,546	-	-	-	(1,142,768)	613,778
Income and expenditure account	289,696	509,002	(549,504)	(3,732)	-	245,462
	4,404,154	509,002	(549,504)	(3,732)	244,342	4,604,262
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,404,779	509,002	(549,504)	(3,732)	244,342	4,604,887

18. Statement of funds

Statement of funds – prior year

	Balance at 1 January 2023	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2023
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,674,579	-	-	-	81,967	1,756,546
Income and expenditure account	386,513	506,599	(591,539)	(11,877)	-	289,696
	4,419,004	506,599	(591,539)	(11,877)	81,967	4,404,154
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,419,629	506,599	(591,539)	(11,877)	81,967	4,404,779

19. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	254,779	625	255,404
Fixed asset investments	4,340,474	-	4,340,474
Current assets	205,133	-	205,133
Creditors due within one year	(162,289)	-	(162,289)
Provisions for liabilities and charges	(33,835)	-	(33,835)
Total	4,604,262	625	4,604,887

Analysis of net assets between funds – prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	277,745	625	278,370
Fixed asset investments	4,053,314	-	4,053,314
Current assets	237,249	-	237,249
Creditors due within one year	(147,566)	-	(147,566)
Provisions for liabilities and charges	(16,588)	-	(16,588)
Total	4,404,154	625	4,404,779

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

	Group 2024 £	Group 2023 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	203,840	(34,078)
Adjustments for:		
Depreciation charges	38,644	55,273
Gains/(Losses) on investments	(244,342)	(81,967)
Dividends and interest from investments	(143,450)	(100,591)
Investment management fees	12,430	13,565
Interest payable and financing costs	2,637	2,606
Decrease/(increase) in debtors	(8,471)	9,017
Increase/(decrease) in creditors	28,899	(238)
Net cash used in operating activities	(109,813)	(136,413)

21. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash at Bank and in Hand	186,303	231,968
Cash held by Investment Managers	2,833,646	808,677
Total cash and cash equivalents	3,019,949	1,040,645

22. Analysis of Net Debt

	At 1 January 2024 £	Cash Flows £	Non-cash Changes £	At 31 December 2024 £
Cash and cash equivalents	1,040,645	1,982,799	(3,495)	3,019,949
Loan	(79,485)	-	(3,504)	(82,989)
	961,160	1,982,799	(6,999)	2,936,960

23. Controlling party

The Council of Management are the ultimate controlling party.

PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales - Charity number 313900

Accounts

Registered number: 00395846
Charity number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

KNOX CROPPER
chartered accountants

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

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PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees (known as the Council of Management)	Mr David Rutenberg Miss Judith S Portrait Mr Isaac Meshoulam Professor Israel Agranat Mrs Janet B Bloch Mr Abraham Rutenberg Mr Dominic B Flynn
Company registered number	00395846
Charity registered number	313900
Registered office	Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Principal operating office	The Pinhas Rutenberg Institute for Youth Education 77 Hanassi Avenue Haifa Israel
Company secretary	Knox Cropper Trustee Limited
Independent auditor	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Investment advisors & Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Barclays Bank Plc 80 Fleet Street London EC4Y 1ET
Solicitors	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL

The trustees present their annual report together with the audited financial statements of the group and company for the year 1 January 2022 to 31 December 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the trust and the group qualifies as small under section 383 of the Companies Act 2006, the strategic report of medium and large companies is not required.

STRUCTURE, GOVERNANCE AND MANAGMENT

a. Constitution

The trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 June 1945.

The trust is constituted under a Memorandum of Association dated 1 June 1945 and is a registered charity with number 313900.

b. Methods of appointment or election of trustees

The management of the trust is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Council of Management have assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The Pinhas Rutenberg Educational Trust ('PRET') was funded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel.

b. Main activities undertaken to further the company's purposes for the public benefit

The main object of PRET is to provide at its Institute in Haifa, Israel, informal education for young people by providing a framework which is not part of the State's official school system but complementary to it. The Institute assists and supports subjects where official or formal education is lacking. Over the years, the Institute's activities have developed greatly and now cover a wide range of educational projects all of which are guided by the object of fulfilling the objects of the charity.

The Council of Management have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

1. General

The Pinhas Rutenberg Educational Trust ("PRET") was founded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel. Throughout the years Mr Abraham Rutenberg and later Mr Alexander Rutenberg also donated funds and worked to implement the cause of the Trust.

This report summarises the PRET educational activity for the year 2023, which began peacefully but ended in wartime, thus affecting the focus of the PRET activity.

2. Main Activities - 2023

2.1 Educational Virtual Reality: Educational Virtual Reality system was again deployed; some 120 young students took part in the current course. This activity is held in co-operation with the Israeli Electrical Company. Youth of lower socio-economic status were introduced to a virtual computerised environment in which they were tasked with team "planning and building" technical projects (power station buildings, electrical supply grid etc.). The project syllabus will be changed in 2024 to focus on software programming and robotics.

2.2 The computerised robotics programme was enlarged to include some 25 participants. Although there is much demand from young students to join the programme, the high cost of the reprised infrastructure (computers and robot parts) inhibits further development of this programme.

2.3 The Cyber project in co-operation with the I.D.F. and the Rashi Trust is developing well. The project which introduces young students to Cyber technology was held with some 150 participants. The Cyber project has the potential of development with time.

2.4 On the outbreak of war in the south on October 7, 2023 the Institute welcomed and hosted approximately 60 youngsters from families from the south. These families were unable to stay at home during rocket attacks due to their parents' essential roles in the police force, fire brigades, hospitals and other critical services. The Institute provided all necessary accommodation, including residence, food, warm clothing and supervision by instructors. Many resources were donated by the community. The Institute ensured that the youngsters remained connected to their classes by setting up individual video conferencing for each student during the day.

3. Secondary Activities – 2023

3.1 Renovation and Modernisation of Facilities: During the year 2023, the Institute renovated the façade of the Imahut building and modernised accessibility of the main campus as per new regulations. The Institute maintained the upkeep of the property in accordance with regulatory standards. An effort to let buildings, which were not in efficient use, to generate income was made. This assists in funding of educational programmes.

3.2 Co-operation with the Boston-Haifa Partnership: The Institute provided rooms and facilities for the offices of the Boston-Haifa Partnership. Since the Boston-Haifa Partnership is involved in activities and seminars for Jewish Youth, it is hoped that this co-operation will strengthen the Institute's ability to operate in this area.

4. Summary

The Institute has continued with its activities which are constantly measured by strict accounting standards. Budget limits have not been exceeded.

FINANCIAL REVIEW

a. Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

b. Reserves policy

The trust makes available all its investment and voluntary income to the Pinhas Rutenberg Institute in Haifa. The Council of Management examines cash flow throughout the year and is satisfied that the trust is in a position to meet any commitment it may make out of income and that its reserves are sufficient for its purpose. The capital is expendable endowment.

Unrestricted funds at 31 December 2023 totalled £4,404,154 of which £2,357,912 is capital, £1,756,546 represents unrealised gains and losses on investments which the trustees regard as capital, according to trust law. The balance of £289,696 includes £278,370 of tangible fixed assets held for the Trust's own use resulting in free reserves of £11,326 available to be spent at the discretion of the trustees in accordance with the terms of the trust's objects.

The Council of Management considers that the Trust has adequate resources available, on a fund by fund basis, to meet its foreseeable requirements.

c. Financial Review of the year

Incoming resources for the year amounted to £506,599 (2022: £517,990) including amounts contributed by various bodies co-operating in and benefitting from the Trust's educational activities of £398,008 (2022: £436,698), other grants and contributions of £8,000 (2022: £3,500), and investment income of £100,591 (2022: £77,792). Resources expended amounted to £622,644 (2022: £512,355) giving rise to net outgoing resources from operations before investment gains of £116,045 (2022: net incoming resources of £5,635). The net decrease in the Trust's funds in the year, investment and pension liability movements and exchange differences, was £14,850 (2022: increase £149,882).

Consolidated net assets at 31 December 2023 amounted to £4,404,779 (2022: £4,419,629), represented by fixed asset investments of £4,053,314, tangible fixed assets of £278,370, net current assets of £89,683 less provisions of £16,588. The value of listed investments held at the end of the year was £1,756,546 (2022: £1,674,579) in excess of cost, as represented by the revaluation reserve.

d. Material investments policy

The Council of Management has the power to invest in such assets as they see fit. The Council takes advice from Rathbone Investment Management Limited. The policy is to generate both income and capital. The fund manager has maintained a high percentage of gilts which has provided a stabilising factor.

The Council of Management confirms that all investments held have been acquired in accordance with the powers available to it.

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

The Council of Management expects the Trust to operate at similar levels in the future.

Disclosure of information to auditor

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

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

Miss Judith S Portrait
Member of the Council of Management
27th September 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

Opinion

We have audited the financial statements of Pinhas Rutenberg Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures in both the UK and Israel. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations, and charitable activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

James Holland-Leader (Senior Statutory Auditor)
For an on behalf of Knox Cropper LLP
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

27th September 2024

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income from:							
Donations and legacies	4	8,000	-	8,000	3,500	-	3,500
Charitable activities	5	332,668	-	332,668	371,556	-	371,556
Investments	6	100,591	-	100,591	77,792	-	77,792
Other Trading Activities	7	65,340	-	65,340	65,142	-	65,142
Total Income		506,599	-	506,599	517,990	-	517,990
Expenditure on:							
Raising funds	9	13,565	-	13,565	13,243	-	13,243
Charitable activities	8	609,079	-	609,079	499,112	-	499,112
Total expenditure		622,644	-	622,644	512,355	-	512,355
Net gains/(losses) on investments	12	81,967	-	81,967	155,746	-	155,746
Net income (expenditure)		(34,078)	-	(34,078)	161,381	-	161,381
Exchange difference on retranslation of Israeli Branch		(11,877)	-	(11,877)	(1,423)	-	(1,423)
Remeasurement of pension liability	15	31,105	-	31,105	(10,076)	-	(10,076)
Net movement in funds		(14,850)	-	(14,850)	149,882	-	149,882
Reconciliation of funds:							
Total funds brought forward		4,419,004	625	4,419,629	4,269,122	625	4,269,747
Total funds carried forward		4,404,154	625	4,404,779	4,419,004	625	4,419,629

All activities related to continuing operations. The notes on pages 14 to 35 form part of these financial statements.

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	11		278,370		208,625
Investments	12		4,053,314		3,959,631
			4,331,684		4,168,256
Current assets					
Debtors	13	5,281		11,550	
Cash at bank and in hand		231,968		445,918	
		237,249		457,468	
Creditors: amounts falling due within one year	14	(147,566)		(155,064)	
Net current assets			89,683		302,404
Total assets less current liabilities			4,421,367		4,470,660
Provision for liabilities	15		(16,588)		(51,031)
Net assets			4,404,779		4,419,629
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,404,154		4,419,004
Total funds			4,404,779		4,419,629

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

The financial statements were approved and authorised for issue by the trustees on 27th September 2024 and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management

The notes on pages 14 to 35 form part of these financial statements.
Company Registered Number: 00395846
Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	11		278,370		208,625
Investments	12		4,053,314		3,959,631
			4,331,684		4,168,256
Current assets					
Debtors	13	5,281		11,550	
Cash at bank and in hand		231,968		445,918	
		237,249		457,468	
Creditors: amounts falling due within one year	14	(147,566)		(155,064)	
Net current assets			89,683		302,404
Total assets less current liabilities			4,421,367		4,470,660
Provision for liabilities	15		(16,588)		(51,031)
Net assets			4,404,779		4,419,629
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,404,154		4,419,004
Total funds			4,404,779		4,419,629

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

The financial statements were approved and authorised for issue by the trustees on 27th September 2024 and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management

The notes on pages 14 to 35 form part of these financial statements.
The net income and expenditure for the year dealt with in the accounts of the Trust was a deficit of £34,078 (2022: surplus of £161,381).
Company Registered Number: 00395846. Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	20	(136,413)	(70,444)
Cash flows from investing activities			
Dividends and interest from investments		97,113	77,792
Investment management fees		(13,565)	(13,243)
Purchases of tangible fixed assets		(141,407)	-
Purchases of fixed asset investments		-	(753,386)
Disposal proceeds on investments		-	13
Net cash provided by investing activities		(57,859)	(688,824)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the year		(194,272)	(759,268)
Cash and cash equivalents at the beginning of the year		1,242,879	2,004,059
Effect of currency translation on cash and cash equivalents		(7,962)	(1,912)
Cash and cash equivalents at the end of the year	21	1,040,645	1,242,879

The notes on pages 14 to 35 form part of these financial statements.

1. Accounting Policies

1.1 Company status

The Trust is a company limited by guarantee and is incorporated in England and Wales. The members of the Trust are the Council of Management named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The address of the registered office is Office Suite 1, Haslemere House, Lower Street, Haslemere, Surrey, GU27 2PE. The address of the principal place of business is 77 Hanassi Avenue, Haifa, Israel.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pinhas Rutenberg Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

1. Accounting Policies (continued)

1.4 Basis of consolidation

The financial statements consolidate the accounts of Pinhas Rutenberg Educational Trust and all of its subsidiary undertakings ('subsidiaries').

The subsidiary company holds the property in Israel, from which the Educational Institute is run, as nominee on behalf of its parent. The subsidiary company has no activities other than holding this property. Accordingly, a true and fair override has been adopted in the preparation of the Trust's individual balance sheet such that substance overrides legal form which would present the property as an investment in a subsidiary company which in turn owns the property. This departure is necessary to give a true and fair view. Other than the classification of this asset as a tangible fixed asset rather than a fixed asset investment, there is no impact on the financial statements as a result of this true and fair override.

Other than in the classification of fixed assets detailed above, there is no difference between the state of affairs of the parent company and that on a consolidated basis.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Israeli Electricity Company fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the reconstruction of the Pinhas Rutenberg perpetuation room.

The Arison Fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the building of a computer centre aimed at giving training in communication and information technology.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting Policies (continued)

1.6 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when received. Donations are accounted for where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised when receivable and the amount can be measured reliably. This is normally when the dividends are declared and notification has been received of the dividend due.

Income from charitable activities is accounted for when earned.

Rental income is recognised on an accruals basis in the period in accordance with the terms of the lease.

1.7 Expenditure

Costs of raising funds are costs incurred in managing the Trust's fixed asset investments, attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on Charitable activities are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the statement of financial activities as incurred.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

1. Accounting Policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 25 years
Long-term leasehold property	- over the life of the lease
Office equipment	- 10 years
Computer equipment	- 3 years
Other fixed assets	- 10-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the consolidated statement of financial activities incorporating income and expenditure account.

Listed investments are subsequently measured at fair value at the balance sheet date using the closed quoted market price.

Cash and cash equivalents are measured at the cash balance in sterling, using the spot exchange rate at the balance sheet date.

1.10 Concessionary loans

Concessionary loans are initially recorded at the consideration received and are subsequently held at amortised cost based on the implied interest rate of the loan.

1. Accounting Policies (continued)

1.11 Foreign currencies

The Trust's functional and presentational currency is Sterling (£).

Trust

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average monthly rate of exchange. All differences are taken to the profit and loss account.

Foreign enterprises

The affairs of the Trust's Israeli branch and subsidiary undertaking are considered to be not closely interlinked with those of the Trust and the results of those undertakings are not regarded as being dependent on the economic environment of the Trust's currency, due to limited transactions between the Trust and its branch and subsidiary undertaking. The functional currency of the Israeli branch is therefore considered to be the NIS (Israeli New Shekel). The results and financial position of the branch are translated to Sterling £ in accordance with paragraph 30.18 of FRS 102 as follows:

All assets and liabilities are translated at the closing rate on the balance sheet date.

Income and expenses are translated at the average exchange rate for the year, in accordance with paragraph 30.19.

All resulting exchange gains and losses are recognised in other comprehensive income.

1. Accounting Policies (continued)

1.12 Employee benefits

Short term employee benefits including holiday pay accrual

A liability is recognised to the extent of any short term employee benefits, including unused holiday pay entitlement, which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future employee benefit so accrued at the balance sheet date.

Other long term employee benefits

A liability is recognised to the extent of any long term employee benefits which is accrued at the balance sheet date and carried forward to future periods. This is measured at the net total of:

(a) the present value of the benefit obligation at the reporting date; minus
(b) the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The change in liability is recognised in the statement of financial activities.

The Israeli branch has a liability for employee severance benefits. A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Trust's liability for severance benefits to its employees is covered mainly by current deposits in the name of the employees in recognised pension funds and/or by the purchase of policies from an insurance company. The deposited amounts are not under the control and management of the Trust as therefore these amounts and the liabilities for which they were deposited are not presented in the balance sheet. Funds deposited in the Trust's name in a recognised severance pay fund in respect of the liability for severance benefits are included in the balance sheet.

1.13 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.
Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

1. Accounting Policies (continued)

1.13 Financial instruments (continued)

Financial liabilities

Basic financial liabilities, including other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Council of Management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associate assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates.

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

The following is the critical estimation that the Trustees have made in the process of applying the group's accounting policies and that have the most significant effect on the amount recognised in the financial statements.

Severance benefits

Accounting for a severance benefits and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculations of the value of the liabilities.

For carrying amount of liabilities, see note 15.

3. Net income/(expenditure)

	2023 £	2022 £
Auditor's remuneration - Israel	3,522	3,867
Auditor's remuneration - UK	11,820	11,580

During the year, no Trustees received any remuneration (2022: £NIL).
During the year, no Trustees received any benefits in kind (2022: £NIL).
During the year, no Trustees received any reimbursements of expenses (2022: £NIL).

4. Income from Donations and Legacies

	2023 £	2022 £
Donation from Rest-Harrow Trust	3,000	1,000
Donation from Ardwick Trust	3,000	1,000
Donation from Michael & Anna Wix Charitable Trust	2,000	1,500
Total donations and legacies	8,000	3,500

5. Income from Charitable Activities

	2023 £	2022 £
Income from further education courses	47,811	54,111
Participation in various seminars and various activities including hostel facilities	69,559	81,810
Services to educational institutions	206,494	221,134
Income from courses in communications	8,804	14,501
	332,668	371,556

6. Investment Income

	2023 £	2022 £
Dividends from listed investments	19,478	27,765
Interest on Treasury stocks and corporate bonds	45,666	40,464
Investment income – local cash	35,447	9,563
	100,591	77,792

7. Other Trading activities

	2023 £	2022 £
Other income	65,340	65,142

Other income includes fees for cellular carrier's lease.

8. Expenditure on Charitable Activities

	2023 £	2022 £
Direct costs		
Lecturer's and instructors' fees	11,894	24,879
Victuals	11,783	10,600
Transport and travelling	11,220	20,081
Building maintenance and upkeep of garden, furniture and kitchen equipment	114,299	95,741
Premises taxes	158,743	-
Legal, bookkeeping and accountancy charges	5,720	20,404
Bank interest and charges	(6,951)	3,607
Insurance and rates	18,625	20,058
Communications	4,289	4,912
Sundry expenses	5,146	2,932
Wages and salaries	190,219	210,308
Depreciation	55,272	57,537
	580,259	471,059
Support costs		
Auditor's remuneration	15,342	15,447
Indemnity insurance	4,763	4,326
Legal fees	8,690	8,280
Bank charges	25	-
	28,820	28,053
	609,079	499,112

Given the limited number of projects being undertaken by the charity, the trustees consider that no further analysis of the above direct charitable expenditure would be beneficial.

9. Raising funds

	2023 £	2022 £
Investment management fees	13,565	13,243

10. Staff Costs

	2023 £	2022 £
Wages and salaries	154,298	153,529
Social security and payroll taxes	15,680	26,647
Pension costs	17,699	28,253
Movement in holiday provisions	2,542	1,879
Other costs	-	-
	190,219	210,308

The average number of persons employed by the company during the year was as follows:

	Group 2023 £	Group 2022 £
Employees	11	9

No employee received remuneration amounting to more than £60,000 in either year.

11. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2023	768,810	1,273	1,091,331	206,755	36,057	2,104,226
Additions	-	-	131,514	6,116	3,777	141,407
Disposals	-	-	-	-	-	-
Foreign currency translation	-	-	(81,830)	(15,257)	(2,696)	(99,783)
At 31 December 2023	768,810	1,273	1,141,015	197,614	37,138	2,145,850
Depreciation						
At 1 January 2023	768,809	554	904,912	185,269	36,057	1,895,601
Charge for the year	-	13	48,763	6,237	260	55,273
On disposals	-	-	-	-	-	-
Foreign currency translation	-	-	(67,063)	(13,681)	(2,650)	(83,394)
At 31 December 2023	768,809	567	886,612	177,825	33,667	1,867,480
Net book value						
At 31 December 2023	1	706	254,403	19,789	3,471	278,370
At 31 December 2022	1	719	186,419	21,486	-	208,625

11. Tangible fixed assets (continued)

Group (continued)

All the fixed assets are held for direct charitable purposes of the Trust and its subsidiary.

Company	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2023	1	1,273	1,091,331	206,755	36,057	1,335,417
Additions	-	-	131,514	6,116	3,777	141,407
Disposals	-	-	-		-	-
Foreign Currency Translation	-	-	(81,830)	(15,257)	(2,696)	(99,783)
At 31 December 2023	1	1,273	1,141,015	197,614	37,138	1,377,041
Depreciation						
At 1 January 2023	-	554	904,912	185,269	36,057	1,126,792
Charge for the year	-	13	48,763	6,237	260	55,273
On disposals	-	-	-	-	-	-
Foreign Currency Translation	-	-	(67,063)	(13,681)	(2,650)	(83,394)
At 31 December 2023	-	567	886,612	177,825	33,667	1,098,371
Net book value						
At 31 December 2023	1	706	254,403	19,789	3,471	278,370
At 31 December 2022	1	719	186,419	21,486	-	208,625

The Trust's interest in the lease expired in 2018.

All the fixed assets are held for direct charitable purposes of the Trust.

12. Fixed asset investments

Group and company	Listed securities 2023 £	Listed securities 2022 £
Market value		
At 1 January 2023	3,162,670	2,253,551
Additions	-	753,386
Disposals	-	(13)
Realised and unrealised gains	81,967	155,746
At 31 December 2023	3,244,637	3,162,670
Cash held by Investment Managers	808,677	796,961
	4,053,314	3,959,631

Group material investments

	2023 £	2022 £
2.5% Index Linked Treasury Loan Stock 2024	1,977,533	1,950,384
Berkshire Hathaway Common Stock	839,332	770,388
Rio Tinto Ordinary 10p	200,497	198,987
	3,017,362	2,919,759

The Trust also owns the entire share capital of Pinhas Rutenberg Trust Limited, a company incorporated in Israel. The authorised and issued share capital of this company comprises 5,000 shares of NIS 0.0001 each. The company owns properties which are used by the trust for the furtherance of its charitable activities and did not have any income or expenditure in 2023 or 2022 other than in respect of depreciation of the property. The net assets of the company are NIS 12 (2022: NIS 12).

13. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Prepayments and accrued income	3,478	-	3,478	-
Trade debtors	1,803	11,550	1,803	11,550
	5,281	11,550	5,281	11,550

14. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	11,782	5,133	11,782	5,133
Other creditors	92,465	97,021	92,465	97,021
Accruals and deferred income	43,319	52,910	43,319	52,910
	147,566	155,064	147,566	155,064

Included within other creditors is a concessionary loan of £79,485 (NIS 354,078) (2022: £83,007) from the estate of the late Mr Sandy Rutenberg. The loan principal is linked to the Israeli Consumer Price Index and does not bear interest.

15. Long term employment retirement benefits

Funds are deposited in the Trust's name in a recognised severance pay fund in respect of the liability for employee severance benefits included in the balance sheet.

The amounts in the fund included accumulated linkage and interest differences and are deposited in a severance pay fund. Withdrawal of these funds is subject to compliance with the provisions of Israeli Severance Pay Law.

	2023 £	2022 £
Funds deposited		
Liability per employee	164,075	175,235
Severance benefits	(180,663)	(226,266)
Net pension asset/(liability)	(16,588)	(51,031)

15. Long term employment retirement benefits (continued)

	2023 £	2022 £
Funds deposited		
Brought forward at 1 January	175,235	179,434
Return on funds	31,105	(10,076)
Contributions by employer	-	8,130
Benefits paid	(29,379)	-
Currency translation	(12,886)	(2,253)
Carried forward at 31 December	164,075	175,235

	2023 £	2022 £
Liability per employee severance benefits		
Brought forward at 1 January	226,266	199,295
Benefits paid	(29,379)	-
Service cost	-	30,450
Foreign currency translation	(16,224)	(3,479)
Carried forward at 31 December	180,663	226,266

The Trust's liability for the above is covered by deposits with an approved fund, the Central Severance Pay Fund, which is managed by Bank Leumi Le-Israel BM.

16. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount		Amount due (to)/from related parties	
		2023 £	2022 £	2023 £	2022 £
Portrait Solicitors	Fees	-	2,400	-	-
BDB Pitmans LLP	Fees	8,940	5,880	-	-

Two Members of Council, Judith Portrait and Dominic Flynn were Partners in Portrait Solicitors, and Dominic Flynn is a Partner with BDB Pitmans LLP.

Janet Bloch, Judith Portrait and Dominic Flynn are Trustees of the following: The Rest Harrow Trust, The Ardwick Trust and the Michael and Anna Wix Charitable Trust, who donated £3,000 (2022: £1,000) £3,000 (2022: 1,000) and £2,000 (2022: £1,500) respectively.

17. Financial instruments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Financial assets				
Financial assets at fair value – fixed asset investments	3,244,637	3,162,670	3,244,637	3,162,670
Financial assets at amortised cost – trade debtors	1,803	11,550	1,803	11,550
	3,246,440	3,174,220	3,246,440	3,174,220

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Financial liabilities				
Financial liabilities at amortised cost – trade creditors	11,782	5,133	11,782	5,133
Financial liabilities at amortised cost – concessionary loans	79,485	83,007	79,485	83,007
Income/(expense) related to financial liabilities at amortised cost	(2,606)	(4,290)	(2,606)	(4,290)
Exchange gains/(losses) related to financial liabilities at amortised cost	6,128	1,158	6,128	1,158

Financial assets measured at amortised cost include trade debtors. Financial liabilities measured at amortised cost include concessionary loans and trade creditors.

18. Statement of funds

Statement of funds – current year

	Balance at 1 January 2023	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2023
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,674,579	-	-	-	81,967	1,756,546
Income and expenditure account	386,513	506,599	(591,539)	(11,877)	-	289,696
	4,419,004	506,599	(591,539)	(11,877)	81,967	4,404,154
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,419,629	506,599	(591,539)	(11,877)	81,967	4,404,779

18. Statement of funds

Statement of funds – prior year

	Balance at 1 January 2022	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2022
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,518,833	-	-	-	155,746	1,674,579
Income and expenditure account	392,377	517,990	(512,355)	11,499	-	386,513
	4,269,122	517,990	(512,355)	(11,499)	155,746	4,419,004
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,269,747	517,990	(512,355)	(11,499)	155,746	4,419,629

19. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	277,745	625	278,370
Fixed asset investments	4,053,314	-	4,053,314
Current assets	237,249	-	237,249
Creditors due within one year	(147,566)	-	(147,566)
Provisions for liabilities and charges	(16,588)	-	(16,588)
Total	4,404,154	625	4,404,779

Analysis of net assets between funds – prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	208,000	625	208,625
Fixed asset investments	3,959,631	-	3,959,631
Current assets	457,468	-	457,468
Creditors due within one year	(155,064)	-	(155,064)
Provisions for liabilities and charges	(51,031)	-	(51,031)
Total	4,419,004	625	4,419,629

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

	Group 2023 £	Group 2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(34,078)	161,381
Adjustments for:		
Depreciation charges	55,273	57,537
Gains/(Losses) on investments	(81,967)	(155,746)
Dividends and interest from investments	(100,591)	(77,792)
Investment management fees	13,565	13,243
Interest payable and financing costs	2,606	4,290
Decrease/(increase) in debtors	9,017	3,451
Increase/(decrease) in creditors	(238)	(100,106)
Severance benefits provision adjustment	-	22,320
Exchange difference on retranslation	-	978
Net cash used in operating activities	(136,413)	(70,444)

21. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash at Bank and in Hand	231,968	445,918
Cash held by Investment Managers	808,677	796,961
Total cash and cash equivalents	1,040,645	1,242,879

22. Analysis of Net Debt

	At 1 January 2023 £	Cash Flows £	Non-cash Changes £	At 31 December 2023 £
Cash at bank and in hand	1,242,879	(194,272)	(7,962)	1,040,645
Loan	(83,007)	-	3,522	(79,485)
	1,159,872	(194,272)	(4,440)	961,160

23. Controlling party

The Council of Management are the ultimate controlling party.

PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales - Charity number 313900

Accounts

Registered number: 00395846
Charity number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

KNOX CROPPER
chartered accountants

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

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PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees (known as the Council of Management)	Mr David Rutenberg Miss Judith S Portrait Mr Isaac Meshoulam Professor Israel Agranat Mrs Janet B Bloch Mr Abraham Rutenberg Mr Dominic B Flynn
Company registered number	00395846
Charity registered number	313900
Registered office	Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Principal operating office	The Pinhas Rutenberg Institute for Youth Education 77 Hanassi Avenue Haifa Israel
Company secretary	Knox Cropper Trustee Limited
Independent auditor	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Investment advisors & Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Barclays Bank Plc 80 Fleet Street London EC4Y 1ET
Solicitors	To 31/07/2022 Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ From 01/08/2022 BDB Pitmans LLP One Bartholomew Close London EC1A 7BL

The trustees present their annual report together with the audited financial statements of the group and company for the year 1 January 2022 to 31 December 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the trust and the group qualifies as small under section 383 of the Companies Act 2006, the strategic report of medium and large companies is not required.

STRUCTURE, GOVERNANCE AND MANAGMENT

a. Constitution

The trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 June 1945.

The trust is constituted under a Memorandum of Association dated 1 June 1945 and is a registered charity with number 313900.

b. Methods of appointment or election of trustees

The management of the trust is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Council of Management have assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The Pinhas Rutenberg Educational Trust ('PRET') was funded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel.

b. Main activities undertaken to further the company's purposes for the public benefit

The main object of PRET is to provide at its Institute in Haifa, Israel, informal education for young people by providing a framework which is not part of the State's official school system but complementary to it. The Institute assists and supports subjects where official or formal education is lacking. Over the years, the Institute's activities have developed greatly and now cover a wide range of educational projects all of which are guided by the object of fulfilling the objects of the charity.

The Council of Management have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

1. General

The Pinhas Rutenberg Educational Trust ("PRET") was founded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel. Throughout the years Mr Abraham Rutenberg and later Mr Alexander Rutenberg also donated funds and worked to implement the cause of the Trust.

This report summarises the PRET educational activity for the year 2022, in which activation of the educational activities was enhanced after the stoppage due to the Covid pandemic.

2. Main Activities - 2022

2.1 Educational Virtual Reality: Educational Virtual Reality system was deployed; some 170 youngster students took part in the current course. This activity is held in co-operation with the Israeli Electrical Company. Youth of lower socio-economic status were introduced to a virtual computerised environment in which they were tasked with team "planning and building" technical projects (power station buildings, electrical supply grid etc.). The project is in preparation to also include software programming.

2.2 The computerised robotics programme was enlarged to include some 25 participants. Although there is much demand from youngster students to join the programme, the high cost of needed infrastructure (computers and robot parts) inhibits further development of this programme.

2.3 The new project in co-operation with the IDF and the Haifa municipality has been started. The project which introduces youngster students to Cyber technology was held with some 150 participants. The Cyber project has a potential of development in time.

3. Secondary Activities – 2022

3.1 Renovation and Modernisation of Facilities: During year 2022, the Institute did not invest in renovations of buildings, but maintained their upkeep in accordance with regulatory standards. An effort to let buildings, which were not in efficient use, generates income which assists funding of educational programmes.

3.2 Co-operation with the Boston-Haifa Partnership: The Institute provided rooms and facilities for the offices of the Boston-Haifa Partnership. Since the Boston-Haifa Partnership is involved in activities and seminars for Jewish Youth, it is hoped that this co-operation will strengthen the Institute's ability to operate in this area.

4. Summary

The Institute has continued with its activities which are constantly measured by strict accounting standards. Budget limits have not been exceeded.

FINANCIAL REVIEW

a. Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

b. Reserves policy

The trust makes available all its investment and voluntary income to the Pinhas Rutenberg Institute in Haifa. The Council of Management examines cash flow throughout the year and is satisfied that the trust is in a position to meet any commitment it may make out of income and that its reserves are sufficient for its purpose. The capital is expendable endowment.

Unrestricted funds at 31 December 2022 totalled £4,419,004 of which £2,357,912 is capital, £1,674,579 represents unrealised gains and losses on investments which the trustees regard as capital, according to trust law. The balance of £386,513 includes £208,000 of tangible fixed assets held for the Trust's own use resulting in free reserves of £178,813 available to be spent at the discretion of the trustees in accordance with the terms of the trust's objects.

The Council of Management considers that the Trust has adequate resources available, on a fund by fund basis, to meet its foreseeable requirements.

c. Financial Review of the year

Incoming resources for the year amounted to £517,990 (2021: £396,481) including amounts contributed by various bodies co-operating in and benefitting from the Trust's educational activities of £436,698 (2021: £319,132), other grants and contributions of £3,500 (2021: £7,500), and investment income of £77,792 (2021: £69,849). Resources expended amounted to £512,355 (2021: £400,250) giving rise to net incoming resources from operations before investment gains of £5,635 (2021: net outgoing resources of £3,769). The net increase in the Trust's funds in the year, investment and pension liability movements and exchange differences, was £149,882 (2021: £58,246).

Consolidated net assets at 31 December 2022 amounted to £4,419,629 (2021: £4,269,747), represented by fixed asset investments of £3,959,631, tangible fixed assets of £208,625, net current assets of £302,404 less provisions of £51,031. The value of listed investments held at the end of the year was £1,674,579 (2021: 1,518,833) in excess of cost, as represented by the revaluation reserve.

d. Material investments policy

The Council of Management has the power to invest in such assets as they see fit. The Council takes advice from Rathbone Investment Management Limited. The policy is to generate both income and capital. The fund manager has maintained a high percentage of gilts which has provided a stabilising factor.

The Council of Management confirms that all investments held have been acquired in accordance with the powers available to it.

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

The Council of Management expects the Trust to operate at similar levels in the future.

Disclosure of information to auditor

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

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

Miss Judith S Portrait
Member of the Council of Management
September 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

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

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

Opinion

We have audited the financial statements of Pinhas Rutenberg Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures in both the UK and Israel. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations, and charitable activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

September 2023

Greg Stevenson FCA (senior statutory auditor)

For and on behalf of
Knox Cropper LLP

Chartered Accountants
Statutory Auditor

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income from:							
Donations and legacies	4	3,500	-	3,500	7,500	-	7,500
Charitable activities	5	371,556	-	371,556	260,351	-	260,351
Investments	6	77,792	-	77,792	69,849	-	69,849
Other Trading Activities	7	65,142	-	65,142	58,781	-	58,781
Total Income		517,990	-	517,990	396,481	-	396,481
Expenditure on:							
Raising funds	9	13,243	-	13,243	13,015	-	13,015
Charitable activities	8	499,112	-	499,112	387,235	-	387,235
Total expenditure		512,355	-	512,355	400,250	-	400,250
Net gains/(losses) on investments	12	155,746	-	155,746	44,060	-	44,060
Net income (expenditure)		161,381	-	161,381	40,291	-	40,291
Exchange difference on retranslation of Israeli Branch		(1,423)	-	(1,423)	6,981	-	6,981
Remeasurement of pension liability	15	(10,076)	-	(10,076)	10,974	-	10,974
Net movement in funds		149,882	-	149,882	58,246	-	58,246
Reconciliation of funds:							
Total funds brought forward		4,269,122	625	4,269,747	4,210,876	625	4,211,501
Total funds carried forward		4,419,004	625	4,419,629	4,269,122	625	4,269,747

All activities related to continuing operations. The notes on pages 14 to 34 form part of these financial statements.

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	11		208,625		267,881
Investments	12		3,959,631		3,817,021
			4,168,256		4,084,902
Current assets					
Debtors	13	11,550		15,092	
Cash at bank and in hand		445,918		440,589	
		457,468		455,681	
Creditors: amounts falling due within one year	14	(155,064)		(250,974)	
Net current assets			302,404		204,707
Total assets less current liabilities			4,470,660		4,289,609
Provision for liabilities	15		(51,031)		(19,862)
Net assets			4,419,629		4,269,747
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,419,004		4,269,122
Total funds			4,419,629		4,269,747

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management
.....September 2023

The notes on pages 14 to 34 form part of these financial statements.
Company Registered Number: 00395846
Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	11		208,625		267,881
Investments	12		3,959,631		3,817,021
			4,168,256		4,084,902
Current assets					
Debtors	13	11,550		15,092	
Cash at bank and in hand		445,918		440,589	
		457,468		455,681	
Creditors: amounts falling due within one year	14	(155,064)		(250,974)	
Net current assets			302,404		204,707
Total assets less current liabilities			4,470,660		4,289,609
Provision for liabilities	15		(51,031)		(19,862)
Net assets			4,419,629		4,269,747
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,419,004		4,269,122
Total funds			4,419,629		4,269,747

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management
Date:

The notes on pages 14 to 34 form part of these financial statements.
The net income and expenditure for the year dealt with in the accounts of the Trust was a surplus of £161,381 (2021: surplus of £40,291).
Company Registered Number: 00395846. Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	20	(70,444)	101,224
Cash flows from investing activities			
Dividends and interest from investments		77,792	69,849
Investment management fees		(13,243)	(13,015)
Purchases of fixed asset investments		(753,386)	-
Disposal proceeds on investments		13	-
Net cash provided by investing activities		(688,824)	56,834
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the year		(759,268)	158,058
Cash and cash equivalents at the beginning of the year		2,004,059	1,844,668
Effect of currency translation on cash and cash equivalents		(1,912)	1,333
Cash and cash equivalents at the end of the year	21	1,242,879	2,004,059

The notes on pages 14 to 34 form part of these financial statements.

1. Accounting Policies

1.1 Company status

The Trust is a company limited by guarantee and is incorporated in England and Wales. The members of the Trust are the Council of Management named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The address of the registered office is Office Suite 1, Haslemere House, Lower Street, Haslemere, Surrey, GU27 2PE. The address of the principal place of business is 77 Hanassi Avenue, Haifa, Israel.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pinhas Rutenberg Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The Council of Management consider there are no material uncertainties relating the charitable company's ability to continue as a going concern. In view of the financial position of the Trust and planned activities, the Council of Management believes that the Trust has sufficient resources to allow the Trust to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore, the going concern basis remains appropriate.

1. Accounting Policies (continued)

1.4 Basis of consolidation

The financial statements consolidate the accounts of Pinhas Rutenberg Educational Trust and all of its subsidiary undertakings ('subsidiaries').

The subsidiary company holds the property in Israel, from which the Educational Institute is run, as nominee on behalf of its parent. The subsidiary company has no activities other than holding this property. Accordingly, a true and fair override has been adopted in the preparation of the Trust's individual balance sheet such that substance overrides legal form which would present the property as an investment in a subsidiary company which in turn owns the property. This departure is necessary to give a true and fair view. Other than the classification of this asset as a tangible fixed asset rather than a fixed asset investment, there is no impact on the financial statements as a result of this true and fair override.

Other than in the classification of fixed assets detailed above, there is no difference between the state of affairs of the parent company and that on a consolidated basis.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Israeli Electricity Company fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the reconstruction of the Pinhas Rutenberg perpetuation room.

The Arison Fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the building of a computer centre aimed at giving training in communication and information technology.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting Policies (continued)

1.6 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when received. Donations are accounted for where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised when receivable and the amount can be measured reliably. This is normally when the dividends are declared and notification has been received of the dividend due.

Income from charitable activities is accounted for when earned.

Rental income is recognised on an accruals basis in the period in accordance with the terms of the lease.

1.7 Expenditure

Costs of raising funds are costs incurred in managing the Trust's fixed asset investments, attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on Charitable activities are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the statement of financial activities as incurred.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

1. Accounting Policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 25 years
Long-term leasehold property	- over the life of the lease
Office equipment	- 10 years
Computer equipment	- 3 years
Other fixed assets	- 10-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the consolidated statement of financial activities incorporating income and expenditure account.

Listed investments are subsequently measured at fair value at the balance sheet date using the closed quoted market price.

Cash and cash equivalents are measured at the cash balance in sterling, using the spot exchange rate at the balance sheet date.

1.10 Concessionary loans

Concessionary loans are initially recorded at the consideration received and are subsequently held at amortised cost based on the implied interest rate of the loan.

1. Accounting Policies (continued)

1.11 Foreign currencies

The Trust's functional and presentational currency is Sterling (£).

Trust

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average monthly rate of exchange. All differences are taken to the profit and loss account.

Foreign enterprises

The affairs of the Trust's Israeli branch and subsidiary undertaking are considered to be not closely interlinked with those of the Trust and the results of those undertakings are not regarded as being dependent on the economic environment of the Trust's currency, due to limited transactions between the Trust and its branch and subsidiary undertaking. The functional currency of the Israeli branch is therefore considered to be the NIS (Israeli New Shekel). The results and financial position of the branch are translated to Sterling £ in accordance with paragraph 30.18 of FRS 102 as follows:

All assets and liabilities are translated at the closing rate on the balance sheet date.

Income and expenses are translated at the average exchange rate for the year, in accordance with paragraph 30.19.

All resulting exchange gains and losses are recognised in other comprehensive income.

1. Accounting Policies (continued)

1.12 Employee benefits

Short term employee benefits including holiday pay accrual

A liability is recognised to the extent of any short term employee benefits, including unused holiday pay entitlement, which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future employee benefit so accrued at the balance sheet date.

Other long term employee benefits

A liability is recognised to the extent of any long term employee benefits which is accrued at the balance sheet date and carried forward to future periods. This is measured at the net total of:

(a) the present value of the benefit obligation at the reporting date; minus
(b) the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The change in liability is recognised in the statement of financial activities.

The Israeli branch has a liability for employee severance benefits. A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Trust's liability for severance benefits to its employees is covered mainly by current deposits in the name of the employees in recognised pension funds and/or by the purchase of policies from an insurance company. The deposited amounts are not under the control and management of the Trust as therefore these amounts and the liabilities for which they were deposited are not presented in the balance sheet. Funds deposited in the Trust's name in a recognised severance pay fund in respect of the liability for severance benefits are included in the balance sheet.

1.13 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.
Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

1. Accounting Policies (continued)

1.13 Financial instruments (continued)

Financial liabilities

Basic financial liabilities, including other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Council of Management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associate assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates.

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

The following is the critical estimation that the Trustees have made in the process of applying the group's accounting policies and that have the most significant effect on the amount recognised in the financial statements.

A Severance benefits

Accounting for a severance benefits and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculations of the value of the liabilities.

For carrying amount of liabilities, see note 15.

3. Net income/(expenditure)

	2022 £	2021 £
Auditor's remuneration - Israel	3,867	3,361
Auditor's remuneration - UK	11,580	10,800

During the year, no Trustees received any remuneration (2021: £NIL).
During the year, no Trustees received any benefits in kind (2021: £NIL).
During the year, no Trustees received any reimbursements of expenses (2021: £NIL).

4. Income from Donations and Legacies

	2022 £	2021 £
Donation from Rest-Harrow Trust	1,000	3,000
Donation from Ardwick Trust	1,000	2,500
Donation from Michael & Anna Wix Charitable Trust	1,500	2,000
Total donations and legacies	3,500	7,500

5. Income from Charitable Activities

	2022 £	2021 £
Income from further education courses	54,111	46,213
Participation in various seminars and various activities including hostel facilities	81,810	56,678
Services to educational institutions	221,134	145,069
Income from courses in communications	14,501	12,391
	371,556	260,351

6. Investment Income

	2022 £	2021 £
Dividends from listed investments	27,765	31,361
Interest on Treasury stocks and corporate bonds	49,717	38,462
Investment income – local cash	310	26
	77,792	69,849

7. Other Trading activities

	2022 £	2021 £
Other income	65,142	58,781

Other income includes fees for cellular carrier's lease.

8. Expenditure on Charitable Activities

	2022 £	2021 £
Direct costs		
Lecturer's and instructors' fees	24,879	10,538
Victuals	10,600	3,334
Transport and travelling	20,081	12,594
Building maintenance and upkeep of garden, furniture and kitchen equipment	95,741	92,626
Legal, bookkeeping and accountancy charges	20,404	23,425
Bank interest and charges	3,607	2,976
Insurance and rates	20,058	19,428
Communications	4,912	3,903
Sundry expenses	2,932	2,087
Wages and salaries	210,308	131,681
Depreciation	57,537	57,193
	471,059	359,785
Support costs		
Auditor's remuneration	15,447	14,161
Indemnity insurance	4,326	3,217
Legal fees	8,280	10,072
	28,053	27,450
	499,112	387,235

Given the limited number of projects being undertaken by the charity, the trustees consider that no further analysis of the above direct charitable expenditure would be beneficial.

9. Raising funds

	2022 £	2021 £
Investment management fees	13,243	13,015

10. Staff Costs

	2022 £	2021 £
Wages and salaries	153,529	111,315
Social security and payroll taxes	26,647	11,631
Pension costs	28,253	10,257
Movement in holiday provisions	1,879	(2,832)
Other costs	-	1,310
	210,308	131,681

The average number of persons employed by the company during the year was as follows:

	Group 2022 £	Group 2021 £
Employees	9	12

No employee received remuneration amounting to more than £60,000 in either year.

11. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2022	768,810	1,273	1,105,576	209,454	46,054	2,131,167
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(9,526)	(9,526)
Foreign currency translation	-	-	(14,245)	(2,699)	(471)	(17,415)
At 31 December 2022	768,810	1,273	1,091,331	206,755	36,057	2,104,226
Depreciation						
At 1 January 2022	768,809	541	867,338	180,544	46,054	1,863,286
Charge for the year	-	13	50,255	7,269	-	57,537
On disposals	-	-	-	-	(9,526)	(9,526)
Foreign currency translation	-	-	(12,681)	(2,544)	(471)	(15,696)
At 31 December 2022	768,809	554	904,912	185,269	36,057	1,895,601
Net book value						
At 31 December 2022	1	719	186,419	21,486	-	208,625
At 31 December 2021	1	732	238,238	28,910	-	267,881

11. Tangible fixed assets (continued)

Group (continued)

All the fixed assets are held for direct charitable purposes of the Trust and its subsidiary.

Company	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2022		1,273	1,105,576	209,454	46,054	1,362,358
Additions	-	-	-	-	-	-
Disposals	-	-			(9,526)	(9,526)
Foreign Currency Translation	-	-	(14,245)	(2,699)	(471)	(17,415)
At 31 December 2022	1	1,273	1,091,331	206,755	36,037	1,335,417
Depreciation						
At 1 January 2022	-	541	867,338	180,544	46,054	1,094,477
Charge for the year	-	13	50,255	7,269	-	57,537
On disposals	-	-	-	-	(9,526)	(9,526)
Foreign Currency Translation	-	-	(12,681)	(2,544)	(471)	(15,696)
At 31 December 2022	-	554	904,912	185,269	36,057	1,126,792
Net book value						
At 31 December 2022	1	719	186,419	21,486	-	208,625
At 31 December 2021	1	732	238,238	28,910	-	267,881

The Trust's interest in the lease expired in 2018.

All the fixed assets are held for direct charitable purposes of the Trust.

12. Fixed asset investments

Group and company	Listed securities 2022 £	Listed securities 2021 £
Market value		
At 1 January 2022	2,253,551	2,209,491
Additions	753,386	-
Disposals	(13)	-
Realised and unrealised gains	155,746	44,060
At 31 December 2022	3,162,670	2,253,551
Cash held by Investment Managers	796,961	1,563,470
	3,959,631	3,817,021

Group material investments

	2022 £	2021 £
2.5% Index Linked Treasury Loan Stock 2024	1,950,384	1,895,739
Berkshire Hathaway Common Stock	770,388	-
Rio Tinto Ordinary 10p	198,987	167,893
	2,919,759	2,063,632

The Trust also owns the entire share capital of Pinhas Rutenberg Trust Limited, a company incorporated in Israel. The authorised and issued share capital of this company comprises 5,000 shares of NIS 0.0001 each. The company owns properties which are used by the trust for the furtherance of its charitable activities and did not have any income or expenditure in 2022 or 2021 other than in respect of depreciation of the property. The net assets of the company are NIS 12 (2021: NIS 12).

13. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Prepayments and accrued income	-	-	-	-
Trade debtors	11,550	15,092	11,550	15,092
	11,550	15,092	11,550	15,092

14. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	5,133	7,550	5,133	7,550
Other creditors	97,021	95,376	97,021	95,376
Accruals and deferred income	52,910	148,048	52,910	148,048
	155,064	250,974	155,064	250,974

Included within other creditors is a concessionary loan of £83,007 (NIS 354,078) (2021: £79,874) from the estate of the late Mr Sandy Rutenberg. The loan principal is linked to the Israeli Consumer Price Index and does not bear interest.

15. Long term employment retirement benefits

Funds are deposited in the Trust's name in a recognised severance pay fund in respect of the liability for employee severance benefits included in the balance sheet.

The amounts in the fund included accumulated linkage and interest differences and are deposited in a severance pay fund. Withdrawal of these funds is subject to compliance with the provisions of Israeli Severance Pay Law.

	2022 £	2021 £
Funds deposited		
Liability per employee	175,235	179,434
Severance benefits	(226,266)	(199,296)
Net pension asset/(liability)	(51,031)	(19,862)

15. Long term employment retirement benefits (continued)

	2022 £	2021 £
Funds deposited		
Brought forward at 1 January	179,434	210,610
Return on funds	(10,076)	(3,025)
Contributions by employer	8,130	5,386
Benefits paid	-	(40,367)
Currency translation	(2,253)	6,830
Carried forward at 31 December	175,235	179,434

	2022 £	2021 £
Liability per employee severance benefits		
Brought forward at 1 January	199,295	240,797
Benefits paid	-	(40,367)
Service cost	30,450	(8,613)
Foreign currency translation	(3,479)	7,479
Carried forward at 31 December	226,266	199,296

The Trust's liability for the above is covered by deposits with an approved fund, the Central Severance Pay Fund, which is managed by Bank Leumi Le-Israel BM.

16. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount		Amount due (to)/from related parties	
		2022 £	2021 £	2022 £	2021 £
Portrait Solicitors	Amounts held on behalf of the charity	-	-	-	24,564
	Fees	2,400	9,600	-	-
BDB Pitmans LLP	Fees	5,880	-	-	-

Two Members of Council, Judith Portrait and Dominic Flynn were Partners in Portrait Solicitors, and Dominic Flynn is a Partner with BDB Pitmans LLP.

Janet Bloch, Judith Portrait and Dominic Flynn are Trustees of the following: The Rest Harrow Trust, The Ardwick Trust and the Michael and Anna Wix Charitable Trust, who donated £1,500 (2021: £Nil) £3,000 (2021: £2,500) and £3,000 (2021: £2,000) respectively.

17. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets at fair value – fixed asset investments	3,162,670	2,253,551	3,162,670	2,253,551
Financial assets at amortised cost – trade debtors	11,550	15,092	11,550	15,092
	3,174,220	2,268,643	3,174,220	2,268,643

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial liabilities				
Financial liabilities at amortised cost – trade creditors	5,133	7,550	5,133	7,550
Financial liabilities at amortised cost – concessionary loans	83,007	79,874	83,007	79,874
Income/(expense) related to financial liabilities at amortised cost	(4,290)	(1,768)	(4,290)	(1,768)
Exchange gains/(losses) related to financial liabilities at amortised cost	1,158	(3,339)	1,158	(3,339)

Financial assets measured at amortised cost include trade debtors. Financial liabilities measured at amortised cost include concessionary loans and trade creditors.

18. Statement of funds

Statement of funds – current year

	Balance at 1 January 2022	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2022
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,518,833	-	-	-	155,746	1,674,579
Income and expenditure account	392,377	517,990	(512,355)	(11,499)	-	386,513
	4,269,122	517,990	(512,355)	(11,499)	155,746	4,419,004
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,269,747	517,990	(512,355)	(11,499)	155,746	4,419,629

18. Statement of funds

Statement of funds – prior year

	Balance at 1 January 2021	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2021
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,474,773	-	-	-	44,060	1,518,833
Income and expenditure account	378,191	396,481	(400,250)	17,955	-	392,377
	4,210,876	396,481	(400,250)	17,955	44,060	4,269,122
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,211,501	396,481	(400,250)	17,955	44,060	4,269,747

19. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	208,000	625	208,625
Fixed asset investments	3,959,631	-	3,959,631
Current assets	457,468	-	457,468
Creditors due within one year	(155,064)	-	(155,064)
Provisions for liabilities and charges	(51,031)	-	(51,031)
Total	4,419,004	625	4,419,629

Analysis of net assets between funds – prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	267,256	625	267,881
Fixed asset investments	3,817,021	-	3,817,021
Current assets	455,681	-	455,681
Creditors due within one year	(250,974)	-	(250,974)
Provisions for liabilities and charges	(19,862)	-	(19,862)
Total	4,269,122	625	4,269,747

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

	Group 2022 £	Group 2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	161,381	40,291
Adjustments for:		
Depreciation charges	57,537	57,193
Gains/(Losses) on investments	(155,746)	(44,060)
Dividends, interests and rents from investments	(77,792)	(69,849)
Investment management fees	13,243	13,015
Interest payable and financing costs	4,290	1,768
Decrease/(increase) in debtors	3,451	(6,889)
Increase/(decrease) in creditors	(100,106)	103,183
Severance benefits provision adjustment	22,320	-
Exchange difference on retranslation	978	6,572
Net cash used in operating activities	(70,444)	101,224

21. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash at Bank and in Hand	445,918	416,025
Amounts held by Portrait Solicitors	-	24,564
Cash held by Investment Managers	796,961	1,563,470
Total cash and cash equivalents	1,242,879	2,004,059

22. Analysis of Net Debt

	At 1 January 2022 £	Cash Flows £	Non-cash Changes £	At 31 December 2022 £
Cash at bank and in hand	2,004,059	(759,268)	(1,912)	1,242,879
Loan	(79,874)	-	(3,133)	(83,007)
	1,924,185	(759,268)	(5,045)	1,159,872

23. Controlling party

The Council of Management are the ultimate controlling party.

PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales - Charity number 313900

Accounts

Registered number: 00395846
Charity number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

KNOX CROPPER
chartered accountants

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees (known as the Council of Management)	Mr David Rutenberg Miss Judith S Portrait Mr Isaac Meshoulam Professor Israel Agranat Mrs Janet B Bloch Mr Abraham Rutenberg Mr Dominic B Flynn
Company registered number	00395846
Charity registered number	313900
Registered office	Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Principal operating office	The Pinhas Rutenberg Institute for Youth Education 77 Hanassi Avenue Haifa Israel
Company secretary	Knox Cropper Trustee Limited
Independent auditor	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Investment advisors & Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Barclays Bank Plc 80 Fleet Street London EC4Y 1ET
Solicitors	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL

ACHIEVEMENTS AND PERFORMANCE

1. General

The Pinhas Rutenberg Educational Trust ("PRET") was founded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel. Mr Abraham Rutenberg and Mr Alexander Rutenberg also donated funds and worked to implement the cause of the Trust.

This report summarises the PRET educational activity for the year 2021, which continued to be dominated by the Covid pandemic. The Institute had initiated a re-start of programmes which then had to be stopped during the pandemic.

2. Main Activities - 2021

2.1 Educational Virtual Reality: Following the success of last year's pilot project on Educational Virtual Reality system, some 150 young students took part in the current course. This activity was held in co-operation with the Israeli Electrical Company. Youth of lower socio-economic status were introduced to virtual computerised environment in which they were tasked with team "planning and building" technical projects (power station buildings, electrical supply grid etc). The project proved very successful and the number of participants higher than planned. The Institute took upon itself to fund the difference.

2.2 The computerised robotics programme was restarted with 19 participants. Although there was much demand of young students to join the programme, the high cost of the required infrastructure (computers and robot parts) inhibited further development of this programme.

2.3 A new project in co-operation with the IDF and the Haifa municipality has been initiated. The project will introduce young students to Cyber technology. The Cyber project is due to start in 2022.

3. Secondary Activities – 2021

3.1 Renovation and Modernisation of Facilities: During year 2021, the Institute did not invest in renovations of buildings, but maintained their upkeep in accordance with regulatory standards. An effort to let buildings which were not in efficient use was started in order to generate income which will enable funding educational programmes.

3.2 Co-operation with the Boston-Haifa Partnership: The Institute continued to provide rooms and facilities for the offices of the Boston-Haifa Partnership. Since the Boston-Haifa Partnership is involved in activities and seminars for Jewish Youth, it is hoped that this co-operation will strengthen the Institute's ability to operate in this area.

4. Summary

The Institute has continued with its activities which are constantly measured by strict accounting standards. Budget limits have not been exceeded.

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

The Council of Management expects the Trust to operate at similar levels in the future.

Disclosure of information to auditor

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

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

Miss Judith S Portrait
Member of the Council of Management
27th September 2022

Opinion

We have audited the financial statements of Pinhas Rutenberg Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures in both the UK and Israel. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations, and charitable activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Greg Stevenson FCA (senior statutory auditor)

For and on behalf of
Knox Cropper LLP

Chartered Accountants
Statutory Auditor

Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

September 2022

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note		2021 £		2020 Restated £
Fixed assets					
Tangible assets	11		267,881		314,912
Investments	12		3,817,021		3,785,951
			4,084,902		4,100,863
Current assets					
Debtors	13	15,092		7,467	
Cash at bank and in hand		440,589		268,208	
		455,681		275,675	
Creditors: amounts falling due within one year	14	(250,974)		(134,850)	
Net current assets			204,707		140,825
Total assets less current liabilities			4,289,609		4,241,688
Provision for liabilities	15		(19,862)		(30,187)
Net assets			4,269,747		4,211,501
Charity funds					
Restricted funds	18		625		625
Unrestricted funds	18		4,269,122		4,210,876
Total funds			4,269,747		4,211,501

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management
27th September 2022

The notes on pages 14 to 34 form part of these financial statements.
Company Registered Number: 00395846
Charity Number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 Restated £
Cash flows from operating activities			
Net cash used in operating activities	20	101,224	(24,082)
Cash flows from investing activities			
Dividends and interest from investments		69,849	83,484
Investment management fees		(13,015)	(12,957)
Disposal proceeds on investments		-	1,582,942
Net cash provided by investing activities		56,834	1,653,469
Cash flows from financing activities			
Change in cash and cash equivalents in the year		158,058	1,629,387
Cash and cash equivalents at the beginning of the year		1,844,668	215,356
Effect of currency translation on cash and cash equivalents		1,333	(75)
Cash and cash equivalents at the end of the year	21	2,004,059	1,844,668

The notes on pages 14 to 34 form part of these financial statements.

1. Accounting Policies (continued)

1.4 Basis of consolidation

The financial statements consolidate the accounts of Pinhas Rutenberg Educational Trust and all of its subsidiary undertakings ('subsidiaries').

The subsidiary company holds the property in Israel, from which the Educational Institute is run, as nominee on behalf of its parent. The subsidiary company has no activities other than holding this property. Accordingly, a true and fair override has been adopted in the preparation of the Trust's individual balance sheet such that substance overrides legal form which would present the property as an investment in a subsidiary company which in turn owns the property. This departure is necessary to give a true and fair view. Other than the classification of this asset as a tangible fixed asset rather than a fixed asset investment, there is no impact on the financial statements as a result of this true and fair override.

Other than in the classification of fixed assets detailed above, there is no difference between the state of affairs of the parent company and that on a consolidated basis.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Israeli Electricity Company fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the reconstruction of the Pinhas Rutenberg perpetuation room.

The Arison Fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the building of a computer centre aimed at giving training in communication and information technology.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting Policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 25 years
Long-term leasehold property	- over the life of the lease
Office equipment	- 10 years
Computer equipment	- 3 years
Other fixed assets	- 10-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the consolidated statement of financial activities incorporating income and expenditure account.

Listed investments are subsequently measured at fair value at the balance sheet date using the closed quoted market price.

Cash and cash equivalents are measured at the cash balance in sterling, using the spot exchange rate at the balance sheet date.

1.10 Concessionary loans

Concessionary loans are initially recorded at the consideration received and are subsequently held at amortised cost based on the implied interest rate of the loan.

1. Accounting Policies (continued)

1.12 Employee benefits

Short term employee benefits including holiday pay accrual

A liability is recognised to the extent of any short term employee benefits, including unused holiday pay entitlement, which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future employee benefit so accrued at the balance sheet date.

Other long term employee benefits

A liability is recognised to the extent of any long term employee benefits which is accrued at the balance sheet date and carried forward to future periods. This is measured at the net total of:

(a) the present value of the benefit obligation at the reporting date; minus
(b) the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The change in liability is recognised in the statement of financial activities.

The Israeli branch has a liability for employee severance benefits. A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Trust's liability for severance benefits to its employees is covered mainly by current deposits in the name of the employees in recognised pension funds and/or by the purchase of policies from an insurance company. The deposited amounts are not under the control and management of the Trust as therefore these amounts and the liabilities for which they were deposited are not presented in the balance sheet. Funds deposited in the Trust's name in a recognised severance pay fund in respect of the liability for severance benefits are included in the balance sheet.

1.13 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.
Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Council of Management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associate assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates.

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

The following is the critical estimation that the Trustees have made in the process of applying the group's accounting policies and that have the most significant effect on the amount recognised in the financial statements.

A Severance benefits

Accounting for a severance benefits and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculations of the value of the liabilities.

For carrying amount of liabilities, see note 15.

3. Net income/(expenditure)

	2021 £	2020 £
Auditor's remuneration - Israel	3,361	3,389
Auditor's remuneration - UK	10,800	10,680

During the year, no Trustees received any remuneration (2020: £NIL).
During the year, no Trustees received any benefits in kind (2020: £NIL).
During the year, no Trustees received any reimbursements of expenses (2020: £NIL).

7. Other Trading activities

	2021 £	2020 £
Other income	58,781	60,920

Other income includes fees for cellular carrier's lease.

8. Expenditure on Charitable Activities

	2021 £	2020 £
Direct costs		
Lecturer's and instructors' fees	10,538	6,612
Victuals	3,334	7,973
Transport and travelling	12,594	6,602
Building maintenance and upkeep of garden, furniture and kitchen equipment	92,626	56,233
Legal, bookkeeping and accountancy charges	23,425	19,871
Bank interest and charges	2,976	709
Insurance and rates	19,428	18,314
Communications	3,903	4,332
Sundry expenses	2,087	2,334
Wages and salaries	131,681	125,809
Depreciation	57,193	74,281
	359,785	323,070
Support costs		
Auditor's remuneration	14,161	14,069
Indemnity insurance	3,217	2,396
Legal fees	10,072	8,388
	27,450	24,853
	387,235	347,923

Given the limited number of projects being undertaken by the charity, the trustees consider that no further analysis of the above direct charitable expenditure would be beneficial.

11. Tangible fixed assets – Restated

Group	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2021 (restated)	768,810	1,273	1,064,223	252,918	45,927	2,133,151
Additions	-	-	-	-	-	-
Disposals	-	-	(4,485)	(52,148)	(1,782)	(58,415)
Foreign currency translation	-	-	45,838	8,684	1,909	56,431
At 31 December 2020	768,810	1,273	1,105,576	209,454	46,054	2,131,167
Depreciation						
At 1 January 2021 (restated)	768,809	528	786,474	216,887	45,541	1,818,239
Charge for the year	-	13	48,611	8,190	379	57,193
On disposals	-	-	(4,485)	(52,148)	(1,782)	(58,415)
Foreign currency translation	-	-	36,738	7,615	1,916	46,269
At 31 December 2020	768,809	541	867,338	180,544	46,054	1,863,286
Net book value						
At 31 December 2021	1	732	238,238	28,910	-	267,881
At 31 December 2020	1	745	277,749	36,031	386	314,912

12. Fixed asset investments

Group and company	Listed securities 2021 £	Listed securities 2020 £
Market value		
At 1 January 2021	2,209,491	3,866,278
Additions	-	-
Disposal proceeds	-	(1,582,942)
Realised and unrealised losses	44,060	(73,845)
At 31 December 2021	2,253,551	2,209,491
Cash held by Investment Managers	1,563,470	1,576,460
	3,817,021	3,785,951

Group material investments

	2021 £	2020 £
2.5% Index Linked Treasury Loan Stock 2024	1,895,739	1,849,682
Rio Tinto Ordinary 10p	167,893	187,730
	2,063,632	2,037,412

The Trust also owns the entire share capital of Pinhas Rutenberg Trust Limited, a company incorporated in Israel. The authorised and issued share capital of this company comprises 5,000 shares of NIS 0.0001 each. The company owns properties which are used by the trust for the furtherance of its charitable activities and did not have any income or expenditure in 2021 or 2020 other than in respect of depreciation of the property. The net assets of the company are NIS 12 (2020: NIS 12).

15. Long term employment retirement benefits (continued)

	2021 £
Funds deposited	
Brought forward at 1 January	210,610
Return on funds	(3,025)
Contributions by employer	5,386
Benefits paid	(40,367)
Currency translation	6,830
Carried forward at 31 December	179,434

	2021 £
Liability per employee severance benefits	
Brought forward at 1 January	240,797
Benefits paid	(40,367)
Contributions by employer	5,386
Changes in assumptions	(13,999)
Foreign currency translation	7,479
Carried forward at 31 December	199,296

The Trust's liability for the above is covered by deposits with an approved fund, the Central Severance Pay Fund, which is managed by Bank Leumi Le-Israel BM.

18. Statement of funds

Statement of funds – current year

	Balance at 1 January 2021	Income	Expenditure	Other Gains/ (Losses)	Gains/ (Losses) on disposals of investments	Balance at 31 December 2021
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	2,357,912	-	-	-	-	2,357,912
Revaluation reserve	1,474,773	-	-	-	44,060	1,518,833
Income and expenditure account	378,191	396,481	(400,250)	17,955	-	392,377
	4,210,876	396,481	(400,250)	17,955	44,060	4,269,122
Restricted funds						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	625	-	-	-	-	625
Total of Funds	4,211,501	396,481	(400,250)	17,955	44,060	4,269,747

19. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	267,256	625	267,881
Fixed asset investments	3,817,021	-	3,817,021
Current assets	455,681	-	455,681
Creditors due within one year	(250,974)	-	(250,974)
Provisions for liabilities and charges	(19,862)	-	(19,862)
Total	4,269,122	625	4,269,747

Analysis of net assets between funds – prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	314,287	625	314,912
Fixed asset investments	3,785,951	-	3,785,951
Current assets	275,675	-	275,675
Creditors due within one year	(134,850)	-	(134,850)
Provisions for liabilities and charges	(30,187)	-	(30,187)
Total	4,210,876	625	4,211,501

22. Analysis of Net Debt

	At 1 January 2021 £	Cash Flows £	Non-cash Changes £	At 31 December 2021 £
Cash at bank and in hand	1,844,668	158,058	1,333	2,004,059
Loan	(74,767)	-	(5,107)	(79,874)
	1,769,901	158,058	(3,774)	1,924,185

23. Controlling party

The Council of Management are the ultimate controlling party.

24. Prior Year Adjustment

During the current year, it was determined that for the current and previous year that the Trust's branch in Israel has a significant degree of autonomy in its activities rather than being substantially interlinked. As such the functional currency of the branch is determined to be NIS (Israeli New Shekel), rather than GBP. The result of this is that the results and financial position of the branch are translated from the functional currency of NIS to the presentation currency of the Trust, GBP, in accordance with paragraph 30.18 of FRS 102.

The impact was that net assets at 31 December 2019 increased from £4,010,041 to £4,305,638. The net income/(expenditure) for the year ended 31 December 2020 decreased from £(97,955) to £(102,402) and the net movement in funds increased from £(102,425) to £(94,137). Net assets at 31 December 2020 increased from £3,907,616 to £4,211,501.

PINHAS RUTENBERG EDUCATIONAL TRUST

England & Wales - Charity number 313900

Accounts

Registered number: 00395846
Charity number: 313900

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

KNOX CROPPER
chartered accountants

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

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PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

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

Trustees (known as the Council of Management)	Mr David Rutenberg Miss Judith S Portrait Mr Isaac Meshoulam Professor Israel Agranat Mrs Janet B Bloch Mr Abraham Rutenberg Mr Dominic B Flynn
Company registered number	00395846
Charity registered number	313900
Registered office	Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Principal operating office	The Pinhas Rutenberg Institute for Youth Education 77 Hanassi Avenue Haifa Israel
Company secretary	Dentons Secretaries Limited
Independent auditor	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Investment advisors & Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Barclays Bank Plc 80 Fleet Street London EC4Y 1ET
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ

The trustees present their annual report together with the audited financial statements of the group and company for the year 1 January 2020 to 31 December 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the trust and the group qualifies as small under section 383 of the Companies Act 2006, the strategic report of medium and large companies is not required.

STRUCTURE, GOVERNANCE AND MANAGMENT

a. Constitution

The trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 June 1945.

The trust is constituted under a Memorandum of Association dated 1 June 1945 and is a registered charity with number 313900.

b. Methods of appointment or election of trustees

The management of the trust is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Council of Management have assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The Pinhas Rutenberg Educational Trust ('PRET') was funded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel.

b. Main activities undertaken to further the company's purposes for the public benefit

The main object of PRET is to provide at its Institute in Haifa, Israel, informal education for young people by providing a framework which is not part of the State's official school system but complementary to it. The Institute assists and supports subjects where official or formal education is lacking. Over the years, the Institute's activities have developed greatly and now cover a wide range of educational projects all of which are guided by the object of fulfilling the objects of the charity.

The Council of Management have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

1. General

The Pinhas Rutenberg Educational Trust ("PRET") was founded in 1945 as a consequence of Mr Pinhas Rutenberg's Will in which he dedicated all his property and wealth to the purpose of educating the youth of Israel. Mr Abraham Rutenberg and Mr Alexander Rutenberg also donated funds and worked to implement the cause of the Trust.

This report summarises the PRET educational activity for the year 2020 which was dominated by the Covid pandemic. The Institute could not continue its established programmes and only one activity, which was migrated to video conferencing (Zoom), was continued. In view of the limited ability to continue the normal operations, most of the Institute's employees and workers were moved to Governmental Covid Support programmes.

2. Main Activities - 2020

2.1 Educational Virtual Reality: A novel pilot project of Educational Virtual Reality was initiated in co-operation with the Israeli Electrical Company where youth of lower socio-economic status were introduced to virtual computerised environments in which they were tasked with team "planning and building" technical projects (power station buildings, electrical supply grid etc). The pilot project proved very successful and it was agreed that in 2021 the number of participants will be increased from 36 to some 125.

3. Secondary Activities – 2020

3.1 Renovation and Modernisation of Facilities: During year 2020, the Institute did not invest in renovations of buildings, but maintained their upkeep in accordance with regulatory standards. An effort to let buildings which were not in efficient use was started in order to generate income which will enable funding educational programmes.

3.2 Co-operation with the Boston-Haifa Partnership: The Institute provided rooms and facilities for the offices of the Boston-Haifa Partnership. Since the Boston-Haifa Partnership is involved in activities and seminars for Jewish Youth, it is hoped that this co-operation will strengthen the Institute's ability to operate in this area.

4. Note

In year 2016 an action had been commenced against the Trust (Israeli branch) in the Haifa Courts claiming the rental payments made to the Trust in respect of cellular aerials on one of the Institute's buildings. The matter has now been fully resolved by the Courts with no penalties.

5. Summary

The Institute has only been able to carry out the activities set out above and these are constantly measured by strict accounting standards. Budget limits have not been exceeded.

FINANCIAL REVIEW

a. Going concern

On 11 March 2020 the World Health Organisation declared the outbreak of novelle coronavirus, Covid-19, a pandemic. The resultant restrictions in movement in society and closure of schools and businesses had an impact on the Institute as it was unable to run courses. However, the trustees have accessed all the support packages made available by the Government in Israel and therefore, after making appropriate enquiries, the Council of Management have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future being a period of not less than twelve months from the date these financial statements were approved. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The trust makes available all its investment and voluntary income to the Pinhas Rutenberg Institute in Haifa. The Council of Management examines cash flow throughout the year and is satisfied that the trust is in a position to meet any commitment it may make out of income and that its reserves are sufficient for its purpose. The capital is expendable endowment.

Unrestricted reserves at 31 December 2020 totalled £3,906,991 of which £2,359,912 is capital, £1,474,773 represents unrealised gains and losses on investments which the trustees regard as capital, according to trust law. The balance of £74,305 represents free reserves available (income) to be spent at the discretion of the trustees in accordance with the terms of the trust's objects.

c. Financial Review of the year

Incoming resources for the year amounted to £332,322 (2019: £496,804) including amounts contributed by various bodies co-operating in and benefitting from the Trust's educational activities of £243,838 (2019: £369,502), other grants and contributions of £5,000 (2019: £7,000), and investment income of £83,484 (2019: £120,302). Resources expended amounted to £356,132 (2019: £555,878) giving rise to net outgoing resources from operations of £23,810 (2019: £59,074). The net decrease in the Trust's funds in the year, after realised and unrealised losses on investments and exchange differences, was £102,425 (2019: net decrease of £57,801).

The balance on the consolidated trust capital account at 31 December 2020 was £2,359,912 which is all attributable to general trust funds. The value of listed investments held at the end of the year was £1,474,773 (2019: £2,377,540) in excess of cost, as represented by the revaluation reserve which all related to general trust funds. The balance on the income and expenditure account was £74,305 (2019: £89,157).

Total consolidated trust capital and reserves at 31 December 2020 were £3,907,616 (2019: £4,010,041). The Council of Management considers that the Trust has adequate resources available, on a fund by fund basis, to meet its foreseeable requirements.

d. Material investments policy

The Council of Management has the power to invest in such assets as they see fit. The Council takes advice from Rathbone Investment Management Limited. The policy is to generate both income and capital. The fund manager has maintained a high percentage of gilts which has provided a stabilising factor.

The Council of Management confirms that all investments held have been acquired in accordance with the powers available to it.

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

The Council of Management expects the Trust to operate at similar levels in the future.

Disclosure of information to auditor

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

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

Miss Judith S Portrait
Member of the Council of Management
Date: 20 September 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

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

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

Opinion

We have audited the financial statements of Pinhas Rutenberg Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures in both the UK and Israel. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations, and charitable activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Greg Stevenson FCA (senior statutory auditor)

For and on behalf of
Knox Cropper LLP

Chartered Accountants
Statutory Auditor

Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

21st September 2021

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019 £
Income from:							
Donations and legacies	4	5,000	-	5,000	7,000	-	7,000
Charitable activities	5	182,918	-	182,918	311,204	-	311,204
Investments	6	83,484	-	83,484	120,302	-	120,302
Other Trading Activities	7	60,920	-	60,920	58,298	-	58,298
Total Income		332,322	-	332,322	496,804	-	496,804
Expenditure on:							
Raising funds	11	12,956	-	12,956	13,365	-	13,365
Charitable activities	9	329,447	13,729	343,176	540,253	2,260	542,513
Total expenditure		342,403	13,729	356,132	553,618	2,260	555,878
Net (losses) gains on investments	14	(73,845)	-	(73,845)	9,731	-	9,731
Net expenditure		(83,926)	(13,729)	(97,655)	(47,083)	(2,260)	(49,343)
Exchange difference on retranslation of Israeli Branch	20	(4,770)	-	(4,770)	(8,458)	-	(8,458)
Net movement in funds		(88,696)	(13,729)	(102,425)	(55,541)	(2,260)	(57,801)
Reconciliation of funds:							
Total funds brought forward		3,995,687	14,354	4,010,041	4,051,228	16,614	4,067,842
Total funds carried forward		3,906,991	625	3,907,616	3,995,687	14,354	4,010,041

All activities related to continuing operations
The notes on pages 14 to 34 form part of these financial statements.

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		11,027		80,751
Investments	14		3,785,951		3,866,278
			3,796,978		3,947,029
Current assets					
Debtors	15	7,467		9,723	
Cash at bank and in hand		268,208		222,963	
		275,675		232,686	
Creditors: amounts falling due within one year	16	(134,850)		(139,370)	
Net current assets			140,825		93,316
Total assets less current liabilities			3,937,803		4,040,345
Provision for liabilities	17		(30,187)		(30,304)
Net assets			3,907,616		4,010,041
Charity funds					
Restricted funds	20		625		14,354
Unrestricted funds	20		3,906,991		3,995,687
Total funds			3,907,616		4,010,041

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management
Date: 20 September 2021

The notes on pages 14 to 34 form part of these financial statements.
The net income and expenditure for the year dealt with in the accounts of the Trust was a deficit of £97,655 (2019: £49,343).

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		11,026		80,750
Investments	14		3,785,951		3,866,278
			3,796,977		3,947,028
Current assets					
Debtors	15	7,467		9,723	
Cash at bank and in hand		268,208		222,963	
		275,675		232,686	
Creditors: amounts falling due within one year	16	(134,850)		(139,370)	
Net current assets			140,825		93,316
Total assets less current liabilities			3,937,802		4,040,344
Provision for liabilities	17		(30,187)		(30,304)
Net assets			3,907,615		4,010,040
Charity funds					
Restricted funds	20		625		14,354
Unrestricted funds	20		3,906,990		3,995,686
Total funds			3,907,615		4,010,040

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Miss Judith S Portrait
Member of the Council of Management
Date: 20 September 2021

The notes on pages 14 to 34 form part of these financial statements.
The net income and expenditure for the year dealt with in the accounts of the Trust was a deficit of £97,655 (2019: £49,343).

PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	22	(37,114)	(117,674)
Cash flows from investing activities			
Dividends and interest from investments		83,484	120,302
Purchase of tangible fixed assets		-	(3,520)
Disposal proceeds on investments		1,582,942	-
Net cash provided by investing activities		1,666,426	116,782
Cash flows from financing activities			
Change in cash and cash equivalents in the year		1,629,312	(892)
Cash and cash equivalents at the beginning of the year		215,356	216,248
Cash and cash equivalents at the end of the year	23	1,844,668	215,356

The notes on pages 14 to 34 form part of these financial statements.

1. Accounting Policies

1.1 Company status

The Trust is a company limited by guarantee and is incorporated in England and Wales. The members of the Trust are the Council of Management named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The address of the registered office is Office Suite 1, Haslemere House, Lower Street, Haslemere, Surrey, GU27 2PE. The address of the principal place of business is 77 Hanassi Avenue, Haifa, Israel.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pinhas Rutenberg Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

On 11 March 2020 the World Health Organisation declared the outbreak of novella coronavirus, Covid-19, a pandemic. The resultant restrictions in movement in society and closure of schools and businesses had an impact of the Institute as it was unable to run courses. However, the Trustees have accessed all the support packages made available by the Government in Israel and therefore, the Council of Management believes that the Trust has sufficient sources of income to allow the charity to continue operating for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. Therefore the going concern basis remains appropriate.

1. Accounting Policies (continued)

1.4 Basis of consolidation

The financial statements consolidate the accounts of Pinhas Rutenberg Educational Trust and all of its subsidiary undertakings ('subsidiaries').

The net income and expenditure for the year dealt with in the accounts of the Trust was a deficit of £97,655 (2019: £49,343).

The subsidiary company holds the property in Israel, from which the Educational Institute is run, as nominee on behalf of its parent. The subsidiary company has no activities other than holding this property. Accordingly, a true and fair override has been adopted in the preparation of the Trust's individual balance sheet such that substance overrides legal form which would present the property as an investment in a subsidiary company which in turn owns the property. This departure is necessary to give a true and fair view. Other than the classification of this asset as a tangible fixed asset rather than a fixed asset investment, there is no impact on the financial statements as a result of this true and fair override.

Other than in the classification of fixed assets detailed above, there is no difference between the state of affairs of the parent company and that on a consolidated basis.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Israeli Electricity Company fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the reconstruction of the Pinhas Rutenberg perpetuation room.

The Arison Fund is a restricted fund which is subject to donor declared restrictions. The object of the fund is to assist towards the building of a computer centre aimed at giving training in communication and information technology.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting Policies (continued)

1.6 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when received. Donations are accounted for where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised when receivable and the amount can be measured reliably. This is normally when the dividends are declared and notification has been received of the dividend due.

Income from charitable activities is accounted for when earned.

Rental income is recognised on an accruals basis in the period in accordance with the terms of the lease.

1.7 Expenditure

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the statement of financial activities as incurred.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

1. Accounting Policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 25 years
Long-term leasehold property	- over the life of the lease
Office equipment	- 10 years
Computer equipment	- 3 years
Other fixed assets	- 10-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the consolidated statement of financial activities incorporating income and expenditure account.

Listed investments are subsequently measured at fair value at the balance sheet date using the closed quoted market price.

Cash and cash equivalents are measured at the cash balance in sterling, using the spot exchange rate at the balance sheet date.

1.10 Concessionary loans

Concessionary loans are initially recorded at the consideration received and are subsequently held at amortised cost based on the implied interest rate of the loan.

1. **Accounting Policies (continued)**

1.11 Foreign currencies

The Trust's functional and presentational currency is Sterling (£).

Trust

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average monthly rate of exchange. All differences are taken to the profit and loss account.

Foreign enterprises

Since the affairs of the Trust's Israeli branch and subsidiary undertaking are closely interlinked with those of the Trust and the results of those undertakings are regarded as being dependent on the economic environment of the Trust's currency, the operations of these undertakings are remeasured in Sterling, the functional currency of the Trust as follows:

Fixed assets are translated into Sterling at the exchange rate ruling on the date of the acquisition.

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the balance sheet date.

Income and expenses in foreign currencies are recorded in Sterling at the average exchange rate for the year.

Any gains and losses arising on translations are reported as part of the results for the year.

1. Accounting Policies (continued)

1.12 Employee benefits

Short term employee benefits including holiday pay accrual

A liability is recognised to the extent of any short term employee benefits, including unused holiday pay entitlement, which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future employee benefit so accrued at the balance sheet date.

Other long term employee benefits

A liability is recognised to the extent of any long term employee benefits which is accrued at the balance sheet date and carried forward to future periods. This is measured at the net total of:

(a) the present value of the benefit obligation at the reporting date; minus
(b) the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The change in liability is recognised in the statement of financial activities.

The Israeli branch has a liability for employee severance benefits. A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Trust's liability for severance benefits to its employees is covered mainly by current deposits in the name of the employees in recognised pension funds and/or by the purchase of policies from an insurance company. The deposited amounts are not under the control and management of the Trust as therefore these amounts and the liabilities for which they were deposited are not presented in the balance sheet. Funds deposited in the Trust's name in a recognised severance pay fund in respect of the liability for severance benefits are included in the balance sheet.

1.13 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

1. Accounting Policies (continued)

1.13 Financial instruments (continued)

Financial liabilities

Basic financial liabilities, including other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Council of Management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associate assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates.

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

The following is the critical estimation that the Trustees have made in the process of applying the group's accounting policies and that have the most significant effect on the amount recognised in the financial statements.

A Severance benefits

Accounting for a severance benefits and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculations of the value of the liabilities.

For carrying amount of liabilities, see note 17.

3. Net income/(expenditure)

	2020 £	2019 £
Auditor's remuneration - Israel	3,389	3,299
Auditor's remuneration - UK	10,680	15,100

During the year, no Trustees received any remuneration (2019: £NIL).
During the year, no Trustees received any benefits in kind (2019: £NIL).
During the year, no Trustees received any reimbursements of expenses (2019: £NIL).

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donation from Rest-Harrow Trust	-	-	2,000
Donation from Ardwick Trust	-	-	3,000
Donation from Michael & Anna Wix Charitable Trust	5,000	5,000	2,000
Total donations and legacies	5,000	5,000	7,000
Total 2019	7,000	7,000	

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Educational projects	182,918	182,918	311,204
Total 2019	311,204	311,204	

For further details regarding the type of income from charitable activities, see note 8.

6. Investment Income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from local listed investments	83,199	83,199	119,669
Investment income – local cash	285	285	633
	83,484	83,484	120,302
Total 2019	120,302	120,302	

7. Other Trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other income	60,920	60,920	58,298
Total 2019	58,298	58,298	

Other income includes fees for cellular carrier's lease.

8. Analysis of Income from charitable activities by type of income

	Total funds 2020 £	Total funds 2019 £
Income from further education courses	44,950	65,231
Participation in various seminars and various activities including hostel facilities	36,466	153,720
Services to educational institutions	88,206	76,853
Income from courses in communications	13,296	15,400
	182,918	311,204

9. Analysis of expenditure on charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education projects	329,447	13,729	343,176

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Total 2019	540,253	2,260	542,513

10. Direct costs

	2020 £	2019 £
Lecturer's and instructors' fees	6,612	9,027
Victuals	7,973	37,138
Transport and travelling	6,602	18,398
Building maintenance and upkeep of garden, furniture and kitchen equipment	56,233	104,030
Legal, bookkeeping and accountancy charges	19,871	19,830
Bank interest and charges	709	3,477
Insurance and rates	18,314	26,394
Communications	4,332	5,171
Sundry expenses	2,144	3,615
Wages and salaries	125,809	210,206
Depreciation	69,724	74,035
	318,323	511,321
Support costs		
Auditor's remuneration	14,069	18,399
Indemnity insurance	2,396	2,381
Legal fees	8,388	10,413
	343,176	542,514

Given the limited number of projects being undertaken by the charity, the trustees consider that no further analysis of the above direct charitable expenditure would be beneficial.

11. Raising funds

	Total 2020 £	Total 2019 £
Expenditure on investment management	12,956	13,365

12. Staff costs

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	125,809	210,206	125,809	210,206

The average number of persons employed by the company during the year was as follows:

	Group 2020 £	Group 2019 £
Employees	4	15

No employee received remuneration amounting to more than £60,000 in either year.

13. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2020	768,810	1,273	685,646	511,789	31,213	1,998,731
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2020	768,810	1,273	685,646	511,789	31,213	1,998,731
Depreciation						
At 1 January 2020	768,809	515	618,417	499,026	31,213	1,917,980
Charge for the year	-	13	59,648	10,063	-	69,724
On disposals	-	-	-	-	-	-
At 31 December 2020	768,809	528	678,065	509,089	31,213	1,987,704
Net book value						
At 31 December 2020	1	745	7,581	2,700	-	11,027
At 31 December 2019	1	758	67,229	12,763	-	80,751

13. Tangible fixed assets (continued)

Group (continued)

All the fixed assets are held for direct charitable purposes of the Trust and its subsidiary.

Company	Freehold property £	Long-term leasehold property £	Leasehold improve-ments £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2020	768,809	1,273	685,646	511,789	31,213	1,998,730
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2020	768,809	1,273	685,646	511,789	31,213	1,998,730
Depreciation						
At 1 January 2020	768,809	515	618,417	499,026	31,213	1,917,980
Charge for the year	-	13	59,648	10,063	-	69,724
On disposals	-	-	-	-	-	-
At 31 December 2020	768,809	528	678,065	509,089	31,213	1,987,704
Net book value						
At 31 December 2020	-	745	7,581	2,700	-	11,026
At 31 December 2019	-	758	67,229	12,763	-	80,750

The Trust's interest in the lease expired in 2018.

All the fixed assets are held for direct charitable purposes of the Trust.

14. Fixed asset investments

Group and company	Listed securities 2020 £	2019 £
Market value		
At 1 January 2020	3,866,278	3,856,547
Additions	-	-
Disposal proceeds	(1,582,942)	-
Realised and unrealised losses	(73,845)	9,731
At 31 December 2020	2,209,491	3,866,278
Cash held by Investment Managers	1,576,460	-
	3,785,951	3,866,278

Group investments at market value comprise:

	UK £	Overseas £	2020 £	2019 £
Listed investments	2,194,655	14,836	2,209,491	3,866,278

Group material investments

	2020 £	2019 £
2.5% Index Linked Treasury Loan Stock 2024	1,849,682	1,869,330
2.5% Index Linked Treasury Loan Stock 2020	-	1,386,536
Rio Tinto Ordinary 10p	187,730	-
	2,037,412	3,255,866

The Trust also owns the entire share capital of Pinhas Rutenberg Trust Limited, a company incorporated in Israel. The authorised and issued share capital of this company comprises 5,000 shares of NIS 0.0001 each. The company owns properties which are used by the trust for the furtherance of its charitable activities and did not have any income or expenditure in 2019 or 2020 other than in respect of depreciation of the property. The net assets of the company are NIS Nil (2019: NIS 12).

15. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Prepayments and accrued income	-	-	-	-
Income receivable	7,467	9,723	7,467	9,723
	7,467	9,723	7,467	9,723

16. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans and overdrafts	-	7,607	-	7,607
Other creditors	115,088	108,386	115,088	108,386
Accruals and deferred income	19,762	23,377	19,762	23,377
	134,850	139,370	134,850	139,370

Included within other creditors is a concessionary loan of £74,767 (NIS 328,435) (2019: £72,172) from the estate of the late Mr Sandy Rutenberg. The loan is linked to the Israeli Consumer Price Index and does not bear interest.

17. Long term employment retirement benefits

Funds are deposited in the Trust's name in a recognised severance pay fund in respect of the liability for employee severance benefits included in the balance sheet.

The amounts in the fund included accumulated linkage and interest differences and are deposited in a severance pay fund. Withdrawal of these funds is subject to compliance with the provisions of Israeli Severance Pay Law.

	Liability for employee severance benefits £	Funds deposited in funds £	Net £
Balance brought forward	226,288	(195,984)	30,304
Movement in the year	14,509	(14,626)	(117)
Balance carried forward	240,797	(210,610)	30,187

The Trust's liability for the above is covered by deposits with an approved fund, the Central Severance Pay Fund, which is managed by Bank Leumi Le-Israel BM.

18. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount 2020 £	Amount 2019 £	Amount due (to)/from related parties 2020 £	Amount due (to)/from related parties 2019 £
Portrait Solicitors	Amounts held on behalf of the charity	-	-	16,409	41,768
	Fees	-	9,736	-	(5,502)

Two Members of Council, Judith Portrait and Dominic Flynn are Partners in Portrait Solicitors.

Janet Bloch, Judith Portrait and Dominic Flynn are Trustees of the following: The Rest Harrow Trust, The Ardwick Trust and the Michael and Anna Wix Charitable Trust, who donated £5,000 (2019: £2,000) £Nil (2019: £3,000) and £Nil (2019: £2,000) respectively.

19. Financial instruments

	Group 2020 £	Group 2019 £	Group 2020 £	Group 2019 £
Financial assets				
Financial assets that are equity instruments measured at fair value	3,785,951	3,866,278	3,785,951	3,866,278
Financial assets that are debt instruments measured at amortised cost	7,467	9,723	7,467	9,723
	3,793,418	3,876,001	3,793,418	3,876,001

	Group 2020 £	Group 2019 £	Group 2020 £	Group 2019 £
Financial liabilities				
Financial liabilities that are debt instruments amortised costs	115,008	115,993	115,008	115,993

Financial assets measured at amortised cost include grants receivable and other debtors.

Financial liabilities measured at amortised cost include concessionary loans and other creditors.

20. Statement of funds

Statement of funds – current year

	Balance at 1 January 2020	Income	Expenditure	Exchange differences	Gains/ (Losses) on disposals of investments	Balance at 31 December 2020
Unrestricted Funds	£	£	£	£	£	£
Trust capital amount	1,528,990	-	-	-	828,922	2,357,912
Revaluation reserve	2,377,540	-	-	-	(902,767)	1,474,773
Income and expenditure account	89,157	332,322	(342,403)	(4,770)	-	74,306
	3,995,687	332,322	(342,403)	(4,770)	(73,845)	3,906,991
Restricted funds						
Israeli Electricity Company Trust Fund	8,790	-	(8,385)	-	-	405
Arison Fund	5,564	-	(5,344)	-	-	220
	14,354	-	(13,729)	-	-	625
Total of Funds	4,010,041	332,322	(356,132)	(4,770)	(73,845)	3,907,616

20. Statement of funds (continued)

Statement of funds – prior year

	Balance at 1 January 2019 £	Income	Expenditure	Exchange differences	Gains/ (Losses) on disposals of investments	Balance at 31 December 2019
Unrestricted funds	£	£	£	£	£	£
Trust capital amount	1,528,990	-	-	-	-	1,528,990
Revaluation reserve	2,367,809	-	-	-	9,731	2,377,540
Income and expense account	154,429	496,804	(553,618)	(8,458)	-	89,157
	4,051,228	496,804	(553,618)	(8,458)	9,731	3,995,687
Restricted funds						
Israeli Electricity Company Trust Fund	10,255	-	(1,465)	-	-	8,790
Arison Fund	6,359	-	(795)	-	-	5,564
	16,614	-	(2,260)	-	-	14,354
Total of Funds	4,067,842	496,804	(555,878)	(8,458)	9,731	4,010,041

21. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	10,402	625	11,027
Fixed asset investments	3,785,951	-	3,785,951
Current assets	275,675	-	275,675
Creditors due within one year	(134,850)	-	(134,850)
Provisions for liabilities and charges	(30,187)	-	(30,187)
Total	3,906,991	625	3,907,616

Analysis of net assets between funds – prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	66,397	14,354	80,751
Fixed asset investments	3,866,278	-	3,866,278
Current assets	232,686	-	232,686
Creditors due within one year	(139,370)	-	(139,370)
Provisions for liabilities and charges	(30,304)	-	(30,304)
Total	3,995,687	14,354	4,010,041

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

	Group 2020 £	Group 2019 £
Net expenditure for the year (as per Statement of Financial Activities)	(97,655)	(49,343)
Adjustments for:		
Depreciation charges	69,724	73,858
Gains/(Losses) on investments	73,845	(9,731)
Dividends, interests and rents from investments	(83,484)	(120,302)
(Decrease)/increase in retirement benefits	(117)	(7,920)
Decrease/(increase) in debtors	2,256	11,903
Increase/(decrease) in creditors	3,087	(7,681)
Exchange difference on retranslation	(4,770)	(8,458)
Net cash used in operating activities	(37,114)	(117,674)

23. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash at Bank and in Hand	251,799	181,195
Amounts held by Portrait Solicitors	16,409	41,768
Bank overdraft	-	(7,607)
Cash held by Investment Managers	1,576,460	-
Total cash and cash equivalents	1,844,668	215,356

24. Analysis of Net Debt

	At 1 January 2020 £	Cash Flows £	At 31 December 2020 £
Cash at bank and in hand	222,963	1,621,705	1,844,668
Bank overdrafts repayable on demand	(7,607)	7,607	-
	215,356	1,629,312	1,844,668

25. Controlling party

The Council of Management are the ultimate controlling party.