

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**



# **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**

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

# PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 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.

# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **FINANCIAL REVIEW (CONTINUED)**

#### **Plans for future periods**

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

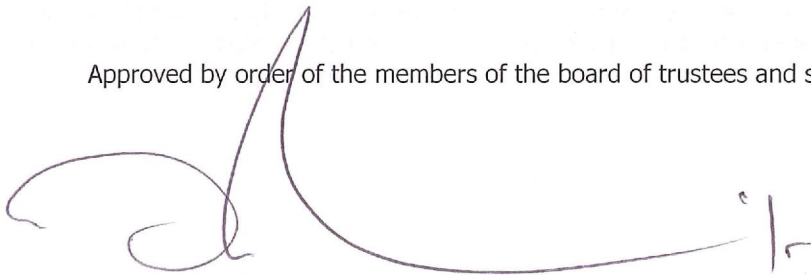
#### **Disclosure of information to auditor**

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:

A large, stylized handwritten signature in purple ink, consisting of a large loop followed by a long horizontal stroke and a small vertical mark at the end.

**Miss Judith S Portrait**

Member of the Council of Management

27<sup>th</sup> September 2022



# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PINHAS RUTENBERG EDUCATIONAL TRUST**

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### **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.

# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PINHAS RUTENBERG EDUCATIONAL TRUST**

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### **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](http://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 2022



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 BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2021

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

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  
27<sup>th</sup> 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**

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

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



# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **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.

# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **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.

# **PINHAS RUTENBERG EDUCATIONAL TRUST**

**(A company limited by guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **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.



## PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 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 associated 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 revision 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).



**PINHAS RUTENBERG EDUCATIONAL TRUST****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****7. Other Trading activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other income	58,781	60,920

Other income includes fees for cellular carrier's lease.

**8. Expenditure on Charitable Activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Direct costs</b>		
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
	<b>359,785</b>	<b>323,070</b>
<b>Support costs</b>		
Auditor's remuneration	14,161	14,069
Indemnity insurance	3,217	2,396
Legal fees	10,072	8,388
	<b>27,450</b>	<b>24,853</b>
	<b>387,235</b>	<b>347,923</b>

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.

# PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 11. Tangible fixed assets – Restated

Group	Freehold property £	Long-term leasehold property £	Leasehold improve- ments £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>						
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
<b>Depreciation</b>						
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
<b>Net book value</b>						
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

**PINHAS RUTENBERG EDUCATIONAL TRUST****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****12. Fixed asset investments**

<b>Group and company</b>	<b>Listed securities</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Market value</b>		
At 1 January 2021	2,209,491	3,866,278
Additions	-	-
Disposal proceeds	-	(1,582,942)
Realised and unrealised losses	44,060	(73,845)
<b>At 31 December 2021</b>	<b>2,253,551</b>	<b>2,209,491</b>
Cash held by Investment Managers	1,563,470	1,576,460
	<b>3,817,021</b>	<b>3,785,951</b>
<b>Group material investments</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
2.5% Index Linked Treasury Loan Stock 2024	1,895,739	1,849,682
Rio Tinto Ordinary 10p	167,893	187,730
	<b>2,063,632</b>	<b>2,037,412</b>

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).

**PINHAS RUTENBERG EDUCATIONAL TRUST****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**15. Long term employment retirement benefits (continued)**

	<b>2021</b>
	<b>£</b>
<b>Funds deposited</b>	
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
	<hr/>
Carried forward at 31 December	179,434
	<hr/>
	<b>2021</b>
	<b>£</b>
<b>Liability per employee severance benefits</b>	
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
	<hr/>
Carried forward at 31 December	199,296
	<hr/>

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.



# PINHAS RUTENBERG EDUCATIONAL TRUST

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 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
	<u>4,210,876</u>	<u>396,481</u>	<u>(400,250)</u>	<u>17,955</u>	<u>44,060</u>	<u>4,269,122</u>
<b>Restricted funds</b>						
Israeli Electricity Company Trust Fund	405	-	-	-	-	405
Arison Fund	220	-	-	-	-	220
	<u>625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>625</u>
<b>Total of Funds</b>	<u>4,211,501</u>	<u>396,481</u>	<u>(400,250)</u>	<u>17,955</u>	<u>44,060</u>	<u>4,269,747</u>

**PINHAS RUTENBERG EDUCATIONAL TRUST****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****19. Analysis of net assets between funds****Analysis of net assets between funds – current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
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)
<b>Total</b>	<b>4,269,122</b>	<b>625</b>	<b>4,269,747</b>

**Analysis of net assets between funds – prior year**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
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)
<b>Total</b>	<b>4,210,876</b>	<b>625</b>	<b>4,211,501</b>

**PINHAS RUTENBERG EDUCATIONAL TRUST****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**22. Analysis of Net Debt**

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

**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.