

**Manchester Talmudical College and Theological
Seminary**

Unaudited Financial Statements

31 December 2020

CHARTWELL ACCOUNTANTS & BUSINESS CONSULTANTS LLP

Chartered Certified Accountants
47 Bury New Road
Prestwich
Manchester
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Manchester Talmudical College and Theological Seminary

Financial Statements

Year ended 31 December 2020

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6

Manchester Talmudical College and Theological Seminary

Trustees' Annual Report

Year ended 31 December 2020

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

Reference and administrative details

Registered charity name Manchester Talmudical College and Theological Seminary

Charity registration number 526669

Principal office Saul Rosenberg House
1-7 Seymour Road
Manchester
M8 6BQ

The trustees

Mr Dov Brandeis
Mr Jacob Halpern
Mr Philip Steinberg

Independent examiner Meir Guttentag FCCA of Chartwell Accountants & Business
Consultants LLP
47 Bury New Road
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Manchester
M25 9JY

Structure, governance and management

Legal entity

The college is a registered charity and is known as Manchester Yeshiva (Hebrew title) and Manchester Talmudical College and Theological Seminary (English title). The charity registration number is 526669.

Governing document and constitution

The Charity is governed by a constitution dated 3rd April 1967. The registered Charity number is 526669.

Organisational structure

The Trustees administer the Charity and they have appointed a managing director to oversee the day to day affairs of the Charity.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage exposure to the major risks.

Manchester Talmudical College and Theological Seminary

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

The aims and objects of the Charity are: the study of subjects appertaining to Jewish education at postgraduate level; the training of personnel for ecclesiastical and allied professions; the dissemination among students and the Jewish community of religious, moral and ethical teachings and values as a way of life for communal leaders and laymen.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

Grants are made to students at the discretion of the Trustees and the Principal. Financial assistance shall be given at their discretion for publication of learned works.

Achievements and performance

The Charity received £457,085 in donations during the year and paid out £398,035 by way of grants. The Charity has low administration costs and over 85% of the funds raised were paid out as grants.

The Charity also received £488 in dividend income and £14 in bank interest.

Financial review

The Trustees are pleased to report that despite the challenges of the Covid-19 pandemic there was a 9% increase in donations received during the year. Although there was a deficit for the year of approximately £25,000 the Trustees are confident that the level of reserves of the Charity are at an acceptable level to ensure its continued success.

Reserves policy

The trustees have reviewed the reserves and future requirements of the charity. All future needs are considered together with any risks or contingencies that may exist. The trustees are confident that sufficient reserves will be generated to achieve the objectives of the charity.

Plans for future periods

There are no plans to change the current operating structure in the foreseeable future.

The trustees' annual report was approved on 12 October 2021 and signed on behalf of the board of trustees by:

Mr Jacob Halpern
Trustee

Manchester Talmudical College and Theological Seminary

Independent Examiner's Report to the Trustees of Manchester Talmudical College and Theological Seminary

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Manchester Talmudical College and Theological Seminary ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Meir Guttentag FCCA of Chartwell Accountants & Business Consultants LLP Independent Examiner

47 Bury New Road
Prestwich
Manchester
M25 9JY

Manchester Talmudical College and Theological Seminary

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	457,085	457,085	420,681
Investment income	5	502	502	25,638
Total income		<u>457,587</u>	<u>457,587</u>	<u>446,319</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	19,856	19,856	19,604
Expenditure on charitable activities	7,8	463,296	463,296	423,127
Total expenditure		<u>483,152</u>	<u>483,152</u>	<u>442,731</u>
Net losses on investments	11	—	—	616
Net (expenditure)/income and net movement in funds		<u>(25,565)</u>	<u>(25,565)</u>	<u>2,972</u>
Reconciliation of funds				
Total funds brought forward		35,744	35,744	32,772
Total funds carried forward		<u>10,179</u>	<u>10,179</u>	<u>35,744</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 6 to 14 form part of these financial statements.

Manchester Talmudical College and Theological Seminary

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	16	22,165	25,295
Investments	17	11,866	11,378
		<u>34,031</u>	<u>36,673</u>
Current assets			
Cash at bank and in hand		53,327	77,414
Creditors: amounts falling due within one year	18	929	2,093
Net current assets		<u>52,398</u>	<u>75,321</u>
Total assets less current liabilities		86,429	111,994
Creditors: amounts falling due after more than one year	19	76,250	76,250
Net assets		<u>10,179</u>	<u>35,744</u>
Funds of the charity			
Unrestricted funds		10,179	35,744
Total charity funds	20	<u>10,179</u>	<u>35,744</u>

These financial statements were approved by the board of trustees and authorised for issue on 12 October 2021, and are signed on behalf of the board by:

Mr Jacob Halpern
Trustee

The notes on pages 6 to 14 form part of these financial statements.

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Saul Rosenberg House, 1-7 Seymour Road, Manchester, M8 6BQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures and fittings	- 10% reducing balance

Investments

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

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

Investments in associates

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

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

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

Investments in joint ventures

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

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

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Investments in joint ventures *(continued)*

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

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations receivable	457,085	457,085	420,681	420,681

5. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from listed investments	488	488	329	329
Rental income receivable	—	—	25,281	25,281
Bank interest receivable	14	14	28	28
	<u>502</u>	<u>502</u>	<u>25,638</u>	<u>25,638</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising events and associated costs	19,856	19,856	19,604	19,604

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Establishment costs and grants paid	447,699	447,699	414,230	414,230
Support costs	15,597	15,597	8,897	8,897
	<u>463,296</u>	<u>463,296</u>	<u>423,127</u>	<u>423,127</u>

8. Expenditure on charitable activities by activity type

Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
<u>49,664</u>	<u>398,035</u>	<u>15,597</u>	<u>463,296</u>	<u>423,127</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2020 £	Total 2019 £
Staff costs	8,228	8,228	7,225
Other costs	7,368	7,368	1,672
	<u>15,596</u>	<u>15,596</u>	<u>8,897</u>

10. Analysis of grants

	2020 £	2019 £
Grants to individuals		
Grants to individuals	398,035	381,223
Total grants	<u>398,035</u>	<u>381,223</u>

11. Net losses on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on other investment assets	<u>—</u>	<u>—</u>	<u>(616)</u>	<u>(616)</u>

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Net (expenditure)/income

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	<u>3,130</u>	<u>3,144</u>

13. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>600</u>	<u>850</u>

14. Staff costs

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

	2020	2019
	£	£
Wages and salaries	<u>17,782</u>	<u>17,485</u>

The average head count of employees during the year was 2 (2019: 3).

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

15. Trustee remuneration and expenses

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

16. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020 and 31 December 2020	<u>150,000</u>	<u>9,314</u>	<u>159,314</u>
Depreciation			
At 1 January 2020	126,000	8,019	134,019
Charge for the year	<u>3,000</u>	<u>130</u>	<u>3,130</u>
At 31 December 2020	<u>129,000</u>	<u>8,149</u>	<u>137,149</u>
Carrying amount			
At 31 December 2020	<u>21,000</u>	<u>1,165</u>	<u>22,165</u>
At 31 December 2019	<u>24,000</u>	<u>1,295</u>	<u>25,295</u>

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

17. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 January 2020	11,373	5	11,378
Additions	488	—	488
At 31 December 2020	<u>11,861</u>	<u>5</u>	<u>11,866</u>
Impairment			
At 1 January 2020 and 31 December 2020		—	—
Carrying amount			
At 31 December 2020	<u>11,861</u>	<u>5</u>	<u>11,866</u>
At 31 December 2019	<u>11,373</u>	<u>5</u>	<u>11,378</u>

All investments shown above are held at valuation.

18. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	<u>929</u>	<u>2,093</u>

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

	2020 £	2019 £
Other creditors	<u>76,250</u>	<u>76,250</u>

20. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2020 £
General funds	<u>35,744</u>	<u>457,587</u>	<u>(483,152)</u>	<u>—</u>	<u>10,179</u>
	At 1 Jan 2019 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2019 £
General funds	<u>32,772</u>	<u>446,319</u>	<u>(442,731)</u>	<u>(616)</u>	<u>35,744</u>

Manchester Talmudical College and Theological Seminary

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	22,166	22,166
Investments	11,866	11,866
Current assets	53,327	53,327
Creditors less than 1 year	(930)	(930)
Creditors greater than 1 year	(76,250)	(76,250)
Net assets	<u>10,179</u>	<u>10,179</u>

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	25,296	25,296
Investments	11,378	11,378
Current assets	77,414	77,414
Creditors less than 1 year	(2,094)	(2,094)
Creditors greater than 1 year	(76,250)	(76,250)
Net assets	<u>35,744</u>	<u>35,744</u>

