

Charity registration number 527404 (England and Wales)

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Rabbi S Kohn Rabbi J Grunfeld
<b>Charity number</b>	527404
<b>Principal address</b>	50 Bewick Road Gateshead Tyne and Wear NE8 4DQ
<b>Auditor</b>	Sumer Auditco Limited Unit 2 Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
<b>Bankers</b>	Lloyds Bank plc PO Box 1000 BX1 1LT
<b>Solicitors</b>	Mincoffs Solicitors LLP 5 Osborne Terrace Newcastle upon Tyne NE2 1SQ

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
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# **BETH MIDRASH LEMOROTH**

## **(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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The trustees present their annual report and financial statements for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

#### **Objectives and activities**

##### **Charitable Objects**

The objects of the College are:

- a) To train teachers and organisers of Torah education.
- b) To provide advanced courses of study for those desiring a comprehensive Jewish education.

##### **Aims**

We aim to provide a first-class Torah education to girls from the ages of 16 to 21. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills. We promote the academic, moral and social development of our pupils through our academic curriculum, pastoral care and other activities. We provide an educational environment where each student can develop and fulfil her potential, building her self-confidence and inculcating a desire to contribute to the wider community. In doing so, we prepare our pupils for the opportunities, responsibilities and experience of later life.

In setting our objectives and planning our activities our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

#### **OUR POLICIES**

##### **Access Policy**

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

##### **Bursary Policy**

Our bursary policy contributes to a widening of access to the education we offer and the facilities we enjoy. The trustees view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy.

In assessing means we take a number of factors into consideration including family income and family circumstances for example dependent relatives and the number of siblings. However, our college does not have a large endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards range from 10% to 50% remission of fees. We also subsidise co-curricular activities and college trips. Information about fee assistance through bursaries is provided to all applying.

The progress of pupils receiving bursary awards is reviewed at least annually to ensure their progress is in line with their abilities. No bursary awards were withdrawn in the year as a result of reviews.

##### **Financial Planning Policy**

Timely financial planning is often the key for many parents who are hoping to send their children to the College and an Interest Free Fees Plan is available to help those who wish to fund educational costs through regular contributions.

# **BETH MIDRASH LEMOROTH (JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD) TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

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## **Public benefit**

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

## **Achievements and performance**

A summary of the results and movements of funds for the year are shown in the Statement of Financial Activities on page 8.

## **Pupil Numbers and Fees**

Pupil numbers at our college were 478. Our fees for the current year before the deduction of any bursaries were £10,800 per annum and are due to rise to £11,100 per annum in 2024/25.

## **Academic**

The College has been successful in obtaining official accreditation of the first two years of its Torah Studies course through a partnership with ATHE. Students who complete the course successfully will receive the Ofqual recognised "Diploma in Torah Studies", which is worth 100 UK credits and will count towards further studies for any student wishing to continue on to Higher Education. Students who wish to can take the "Extended Diploma in Torah Studies" in the third year, which will be worth a total of 150 credits. The college also provides, in collaboration with Gateshead College, a recognised level 3 qualification in Child Care / Classroom Assistant and a level 4 Teaching Assistant qualification for third year students who wish to avail themselves of this, as well as a number of optional A Levels for students who wish to take them.

The College has maintained a partnership with TTI, an organisation in the United States, which was established in 2004 to provide an opportunity for interested individuals to demonstrate their Judaic knowledge on proficiency examinations that measure college comparable coursework as confirmed through an assessment by National PONSI. Students who are successful on this programme will be awarded a B.A. from Woodmont College in the US, on the basis of their current studies. This award is rated by NARIC as the equivalent of a B.A. awarded in the U.K.

## **Community Service**

Pupils also take part in practical voluntary service in the local community. Through this opportunity to serve others, our pupils also gain educationally through a meaningful interaction with those outside our School community.

## **Community Access**

We see JTTC as part of a wider community and where we can assist the community without detriment to advancing the education of our pupils we are delighted to do so. The Keser Primary School, Keser Torah Primary School, Gateshead Mechina, Gateshead Ladies Society, Zeirei Agudas Yisrael, Ba'er HaTorah College, Gateshead Cheder, Haskel Special Needs School, SPLASH Special Needs Care and Ateres High School all made regular use of our multi-purpose facilities, free of charge, out of school hours.

In addition, we encourage our pupils to give their services, free of charge, to the local Primary School and High School as well as the Beth Jacob Organisation, organising and producing all the different aspects of their respective annual shows. They also volunteer to assist in the setting up of the JCCG function hall for events such as weddings.

A number of our students act as general classroom assistants in local schools.

# **BETH MIDRASH LEMOROTH**

## **(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **Financial review**

As a charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and directly help us to maintain our bursary policies.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme creates a social asset without cost to the Exchequer.

Total income for the period ended 31 July 2024 was £3,206,517 (2023: £3,132,932)

The Charity reported a surplus of £281,576 (2023: £444,850). The balance sheet shows total funds carried forward of £8,230,339 (2023: £7,948,762).

Free reserves (being those not tied up in fixed assets, designated or restricted funds) of negative £1,305,440 (2023: £973,135 negative) are held within unrestricted funds.

#### **Results for the year**

As mentioned earlier the College fees were increased again this year. The charity continues to monitor expenditure carefully but is particular not to compromise student welfare and comfort in a bid to cut costs. It therefore seeks best value, even if this does result in a modest increase in expenditure. This financial year a modest investment has been made in the repair and maintenance of the school's assets.

#### **Reserves policy**

The trustees have reviewed the level of reserves held by the charity. The review has concluded that to allow the charity to be managed efficiently and to provide a buffer for uninterrupted services the level of free reserves, being those not tied up in fixed assets, should to be maintained at not less than six months expenditure, although it is acknowledged that this is not the current position.

#### **Investment Policy**

The trustees adopt a prudent approach in respect of the total investment return. Funds are invested so as to maximise income without placing the capital invested at risk.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### *Major risks*

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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

The new classrooms and bedrooms continue to provide much improved and spacious learning and living environments. Work is currently under way to increase the number of tutorial rooms and also to further develop and improve existing tutorial rooms due to the increased number of courses now offered.

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

##### **Governing Document**

The charity was established by a Constitution document dated October 1944 and is registered with the Charity Commission, number 527404.

**BETH MIDRASH LEMOROTH  
(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)  
TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2024**

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**Trustees**

The trustees who served during the year were:

Rabbi S Kohn

Rabbi J Grunfeld

**Governing Body**

The trustees are legally responsible for the overall management of the college. The day to day running of the college is undertaken by the trustees and the senior teaching staff. The trustees are aware of the need to follow best practice and are actively reviewing the organisational structure of the college and the method by which new trustees are appointed. This review is ongoing.

**Statement of trustees' responsibilities**

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

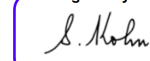
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed by:



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Rabbi S Kohn

**Trustee**

23 May 2025

Date: .....

# **BETH MIDRASH LEMOROTH (JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD) INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BETH MIDRASH LEMOROTH**

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## **Opinion**

We have audited the financial statements of Beth Midrash Lemoroth (the 'charity') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 charity's affairs as at 31 July 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



# **BETH MIDRASH LEMOROTH**

## **(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF BETH MIDRASH LEMOROTH**

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

#### **Capability of the audit in detecting irregularities, including fraud**

Based on our understanding of the charitable company and the sector in which it operates, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards and Charity Act 2011, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding, data protection and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence and legal costs incurred; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

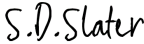
**BETH MIDRASH LEMOROTH  
(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF BETH MIDRASH LEMOROTH**

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**Use of our report**

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

Signed by:

  
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**Mr Stephen Slater (Senior Statutory Auditor)  
for and on behalf of Sumer Auditco Limited  
Statutory Auditor  
Unit 2  
Newcastle upon Tyne  
NE12 8EG**

23 May 2025

Date: .....

Sumer Auditco Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2024**

		Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Notes		
<b>Income and endowments from:</b>			
Donations and legacies	3	1,045,546	796,701
Charitable activities	4	2,129,635	2,330,962
Investments	5	9,176	5,269
Other income	6	20,160	-
<b>Total income</b>		<b>3,204,517</b>	<b>3,132,932</b>
<b>Expenditure on:</b>			
Raising funds	7	-	921
Charitable activities	8	2,922,941	2,687,161
<b>Total resources expended</b>		<b>2,922,941</b>	<b>2,688,082</b>
<b>Net income for the year/ Net movement in funds</b>		<b>281,576</b>	<b>444,850</b>
Fund balances at 1 August 2023		7,948,763	7,503,912
<b>Fund balances at 31 July 2024</b>		<b>8,230,339</b>	<b>7,948,762</b>

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

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

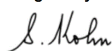
**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**BALANCE SHEET**  
**AS AT 31 JULY 2024**

		<b>2024</b>		<b>2023</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>14</b>	9,253,079		8,638,197	
Investment property	<b>15</b>	283,700		283,700	
		9,536,779		8,921,897	
<b>Current assets</b>					
Debtors	<b>16</b>	63,535		49,387	
Cash at bank and in hand		228,108		467,668	
		291,643		517,055	
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	(476,977)		(323,599)	
Net current (liabilities)/assets			(185,334)		193,456
<b>Total assets less current liabilities</b>		9,351,445		9,115,353	
<b>Creditors: amounts falling due after more than one year</b>	<b>19</b>	(1,121,106)		(1,166,591)	
<b>Net assets</b>		8,230,339		7,948,762	
<b>The funds of the charity</b>					
General unrestricted funds		3,675,335		3,393,758	
Revaluation reserve		4,555,004		4,555,004	
		8,230,339		7,948,762	

23 May 2025

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

Signed by:



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**Rabbi S Kohn**  
**Trustee**

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2024**

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		615,964		491,708
<b>Investing activities</b>					
Purchase of tangible fixed assets		(833,768)		(442,163)	
Investment income received		9,176		5,269	
<b>Net cash used in investing activities</b>			(824,592)		(436,894)
<b>Financing activities</b>					
Repayment of bank loans		(57,613)		(64,747)	
Payment of finance leases obligations		26,681		-	
<b>Net cash used in financing activities</b>			(30,932)		(64,747)
<b>Net decrease in cash and cash equivalents</b>			(239,560)		(9,933)
Cash and cash equivalents at beginning of year			467,668		477,601
<b>Cash and cash equivalents at end of year</b>			228,108		467,668

# **BETH MIDRASH LEMOROTH**

## **(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **1 Accounting policies**

##### **Charity information**

Beth Midrash Lemoroth is a unincorporated charity established by a Constitution dated October 1944 and is registered with the Charity Commission, number 527404.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

##### **1.2 Going concern**

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

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

##### **1.4 Income**

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

All income from fees, scholarships, grants and donations is recognised when received

Government grants are recognised at the fair value of the asset received receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

All interest receivable is accounted for on an accruals basis.

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

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

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

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	5% reducing balance
Fixtures and fittings	15% reducing balance
Central heating installation	15% reducing balance
New classroom building	5% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1.7 Investment property**

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

**1.8 Impairment of fixed assets**

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

**1.9 Cash and cash equivalents**

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

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**1 Accounting policies**

**(Continued)**

**1.10 Financial instruments**

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

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

***Basic financial assets***

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

***Basic financial liabilities***

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

***Derecognition of financial liabilities***

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

**1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**1.12 Retirement benefits**

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

**1.13 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**2 Critical accounting estimates and judgements**

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

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



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**2 Critical accounting estimates and judgements**

**(Continued)**

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Assessing indicators of impairment**

In assessing whether there have been any indicators of impairment of assets, the Trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

**Key sources of estimation uncertainty**

**Determining residual values and useful economic lives of tangible fixed assets**

The Charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historical performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by Trustees when determining the residual values for tangible fixed assets. When determining the residual value Trustees aim to assess the amount that the Charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life.

The carrying amount of tangible assets at the reporting end date was £9,253,079 (2023: £8,638,197).

**3 Donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Donations and gifts	256,195	156,665
Grants receivable	789,351	640,036
	<u>1,045,546</u>	<u>796,701</u>
<b>Grants receivable for core activities</b>		
Other	789,351	640,036
	<u>789,351</u>	<u>640,036</u>

**4 Charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Fees and scholarships	2,129,635	2,330,962
	<u>2,129,635</u>	<u>2,330,962</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**5 Investments**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	8,104	3,464
Interest receivable	1,072	1,805
	<u>9,176</u>	<u>5,269</u>

**6 Other income**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	20,160	-
	<u>20,160</u>	<u>-</u>

**7 Expenditure on raising funds**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Fundraising and publicity</b>		
Advertising	-	921
	<u>-</u>	<u>921</u>

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**8 Charitable activities**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Staff costs	1,147,870	1,127,452
Depreciation and impairment	218,886	201,392
Student meals	415,250	387,548
Kitchen disposables	52,107	49,603
Accreditation fees	62,301	60,280
Cleaning and gardening	121,873	72,714
Premises costs	248,673	217,952
Repairs and maintenance	115,933	86,524
Printing, postage, stationery and telephone	45,382	43,419
Staff and teacher training	53,191	53,456
Travelling expenses	56,559	48,425
Bank and loan costs	96,894	75,460
Legal and professional	14,492	9,901
Hire of hall and equipment	7,821	13,141
Security costs	209,866	186,005
Sundry expenses	43,675	43,737
	<u>2,910,773</u>	<u>2,677,009</u>
Share of governance costs (see note 9)	12,168	10,152
	<u><u>2,922,941</u></u>	<u><u>2,687,161</u></u>

**9 Support costs allocated to activities**

	<b>Charitable activities</b>	<b>Total</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Governance	<u>12,168</u>	<u>10,152</u>
	<u><u>2024</u></u>	<u><u>2023</u></u>
	<b>£</b>	<b>£</b>
<b>Governance costs comprise:</b>		
Audit fees	4,200	3,420
Accountancy	7,968	6,732
	<u>12,168</u>	<u>10,152</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

<b>10 Net movement in funds</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	4,200	3,420
- for other financial services	7,968	6,732
Depreciation of owned tangible fixed assets	218,886	201,392
	<u>          </u>	<u>          </u>

**11 Trustees**

None of the trustees (or any persons connected with them) received any expenses from the charity during the year.

Rabbi S Kohn is also employed as Principal to the college and is paid as such. These payments are included in the figures disclosed in note 12 to the accounts. No trustee received remuneration in their capacity as a trustee of the charity, either in the current or prior year.

**12 Employees**

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Teaching staff	25	25
Administration	4	3
Domestic	5	5
Catering	6	6
Pension	1	1
	<u>          </u>	<u>          </u>
Total	41	40
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,043,321	1,021,574
Social security costs	84,999	85,512
Other pension costs	19,550	20,366
	<u>          </u>	<u>          </u>
	1,147,870	1,127,452
	<u>          </u>	<u>          </u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
£60,000 to £69,999	1	1
£70,000 to £79,999	1	1
	<u>          </u>	<u>          </u>

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**12 Employees**

**(Continued)**

**Remuneration of key management personnel**

The remuneration of key management personnel was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	43,646	43,741

Rabbi S Kohn is a trustee of the charity, for which he is not remunerated. He is remunerated for his role as Principal of the college. Total remuneration, including employers national insurance contributions and employers pension, £43,646 (2023: £43,741).

**13 Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**14 Tangible fixed assets**

	<b>Freehold land and buildings</b>	<b>Assets under construction</b>	<b>Fixtures and fittings</b>	<b>Central heating installation</b>	<b>New classroom building</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>						
At 1 August 2023	5,752,573	371,941	1,297,344	60,636	2,549,499	10,031,993
Additions	-	603,698	230,070	-	-	833,768
At 31 July 2024	5,752,573	975,639	1,527,414	60,636	2,549,499	10,865,761
<b>Depreciation and impairment</b>						
At 1 August 2023	82,931	-	948,830	51,972	310,063	1,393,796
Depreciation charged in the year	20,432	-	84,975	1,300	112,179	218,886
At 31 July 2024	103,363	-	1,033,805	53,272	422,242	1,612,682
<b>Carrying amount</b>						
At 31 July 2024	5,649,210	975,639	493,609	7,364	2,127,257	9,253,079
At 31 July 2023	5,669,642	371,941	348,514	8,664	2,239,436	8,638,197

Land and buildings with a carrying amount of £5,261,000 were revalued in the 2018 financial year by the trustees on the basis of market value. In the opinion of the trustees, the market value of the land and buildings has not significantly changed since their revaluation.

At 31 July 2024, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £493,065 (2023: £519,016).

All of the above tangible fixed assets were used for charitable purposes.

**BETH MIDRASH LEMOROTH**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**15 Investment property**

**2024**  
**£**

**Fair value**

At 1 August 2023 and 31 July 2024

283,700

Investment property comprises of two properties owned by the charity which are held for rental returns and not for charitable purposes.

The fair value of investment properties has been determined by the trustees on the basis of market value.

**16 Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	8,250	2,000
Other debtors	29,017	26,733
Prepayments and accrued income	26,268	20,654
	<u>63,535</u>	<u>49,387</u>

**17 Loans and overdrafts**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>1,178,495</u>	<u>1,236,108</u>
Payable within one year	69,517	69,517
Payable after one year	<u>1,108,978</u>	<u>1,166,591</u>

The long-term loans are secured by fixed charges over freehold land and buildings at 30, 42, 52/52A, 54, 58, 62/62A, 56 and 24 Bewick Road, Gateshead dated 23 December 2021. The loan relates to a fixed-term loan facility of 20 years, which is denominated in pounds sterling with a nominal interest rate of 2.75% over the Bank of England base rate at the time. The loan is repayable in equal instalments up to January 2042.

**18 Creditors: amounts falling due within one year**

	<b>Notes</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Bank loans	<b>17</b>	69,517	69,517
Obligations under finance leases		14,553	-
Other taxation and social security		89,484	19,427
Trade creditors		184,919	137,542
Other creditors		74,421	66,437
Accruals and deferred income		44,083	30,676
		<u>476,977</u>	<u>323,599</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**18 Creditors: amounts falling due within one year** **(Continued)**

Hire purchase obligations - £14,553 (2023: £nil) are secured against the assets to which the agreements relate.

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

	<b>Notes</b>	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
Bank loans	<b>17</b>	1,108,978	1,166,591
Obligations under finance leases		12,128	-
		<u>1,121,106</u>	<u>1,166,591</u>

Hire purchase obligations - £12,128 (2023 - nil) are secured against the assets to which the agreements relate.

**20 Retirement benefit schemes**

	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>19,550</u>	<u>20,366</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

**21 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	<b>At 1 August</b> <b>2023</b> <b>£</b>	<b>Incoming</b> <b>resources</b> <b>£</b>	<b>Resources</b> <b>expended</b> <b>£</b>	<b>At 31 July</b> <b>2024</b> <b>£</b>
General funds	<u>7,948,763</u>	<u>3,204,517</u>	<u>(2,922,941)</u>	<u>8,230,339</u>
<b>Previous year:</b>				
	<b>At 1 August</b> <b>2022</b> <b>£</b>	<b>Incoming</b> <b>resources</b> <b>£</b>	<b>Resources</b> <b>expended</b> <b>£</b>	<b>At 31 July</b> <b>2023</b> <b>£</b>
General funds	<u>7,503,912</u>	<u>3,132,932</u>	<u>(2,688,082)</u>	<u>7,948,762</u>

**BETH MIDRASH LEMOROTH**  
**(JEWISH TEACHERS' TRAINING COLLEGE GATESHEAD)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

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**22 Analysis of net assets between funds**

	<b>Unrestricted funds 2024 £</b>
<b>At 31 July 2024:</b>	
Tangible assets	9,253,079
Investment properties	283,700
Current assets/(liabilities)	(185,334)
Long term liabilities	(1,121,106)
	<hr/>
	8,230,339
	<hr/> <hr/>
	<b>Unrestricted funds 2023 £</b>
<b>At 31 July 2023:</b>	
Tangible assets	8,638,197
Investment properties	283,700
Current assets/(liabilities)	193,456
Long term liabilities	(1,166,591)
	<hr/>
	7,948,762
	<hr/> <hr/>

**23 Related party transactions**

**Transactions with related parties**

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

Six family members of one of the trustees received remuneration, including employers national insurance contributions and employers pension totalling £141,459 (2023: £140,884).



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

24	Cash generated from operations	2024 £	2023 £
	Surplus for the year	281,576	444,850
	Adjustments for:		
	Investment income recognised in statement of financial activities	(9,176)	(5,269)
	Depreciation and impairment of tangible fixed assets	218,886	201,392
	Movements in working capital:		
	(Increase)/decrease in debtors	(14,147)	4,801
	Increase/(decrease) in creditors	138,825	(154,066)
	Cash generated from operations	615,964	491,708

25	Analysis of changes in net (debt)/funds	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
	Cash at bank and in hand	467,668	(239,560)	228,108
	Loans falling due within one year	(69,517)	-	(69,517)
	Loans falling due after more than one year	(1,166,591)	57,613	(1,108,978)
	Obligations under finance leases	-	(26,681)	(26,681)
		(768,440)	(208,628)	(977,068)