

Institute for Higher Rabbinical Studies
Unaudited Financial Statements
31 December 2020

HAFFNER HOFF LTD

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

Institute for Higher Rabbinical Studies

Financial Statements

Year ended 31 December 2020

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	7
Statement of financial activities	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11

Institute for Higher Rabbinical Studies

Trustees' Annual Report

Year ended 31 December 2020

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

Reference and administrative details

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

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

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

Governing Document

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

Governing body and appointment of trustees

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

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under the Charities Act, the committee, decision making processes, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Structure information

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

Organisational management

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

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

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

Structure and relationship

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

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

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

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

Aims and intended impact

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

Objectives for the Year

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

Strategies to achieve the year's objectives

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

Principal activities of the year

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

Public benefit

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

Grant-making policy

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

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

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

RISK MANAGEMENT

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

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

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

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

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

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

Achievements and performance

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

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

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial review

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

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

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

Reserves policy

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

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

Coronavirus

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

Investment policy and objectives

There were no new investments made in the year.

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

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

Institute for Higher Rabbinical Studies

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Plans for future periods

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees' annual report was approved on 6 September 2021 and signed on behalf of the board of trustees by:

Rabbi H Emanuel
Trustee

Institute for Higher Rabbinical Studies

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

Year ended 31 December 2020

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

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Mr Howard Schwalbe ACA

Independent Examiner

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

6 September 2021

Institute for Higher Rabbinical Studies

Statement of Financial Activities

Year ended 31 December 2020

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

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

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

Institute for Higher Rabbinical Studies

Statement of Financial Position

31 December 2020

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

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

Rabbi H Emanuel
Trustee

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

Institute for Higher Rabbinical Studies

Statement of Cash Flows

Year ended 31 December 2020

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

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

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

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

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

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

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Depreciation

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

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

Investments

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

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

Investment property

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

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

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

Investments in associates

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

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

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Investments in joint ventures

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

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

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

Impairment of fixed assets

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

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

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

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

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

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

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

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

4. Donations and legacies

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

5. Investment income

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

6. Costs of other trading activities

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements (continued)

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

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

8. Expenditure on charitable activities by activity type

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

9. Analysis of support costs

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

10. Analysis of grants

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

11. Net gains on investments

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Net income/(expenditure)

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

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

13. Independent examination fees

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

14. Staff costs

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

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

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

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

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

15. Trustee remuneration and expenses

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Tangible fixed assets

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

17. Investments

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

All investments shown above are held at valuation.

Investment properties

Investment properties represents a portfolio of UK residential properties.

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

18. Debtors

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

19. Creditors: amounts falling due within one year

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

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

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

21. Analysis of charitable funds

Unrestricted funds

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

Institute for Higher Rabbinical Studies

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

22. Analysis of net assets between funds

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

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

23. Analysis of changes in net debt

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

24. Related parties

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

25. Taxation

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