

Leo Baeck College

Europe's premier centre for Progressive Jewish learning

Trustees' Report

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for the year ended 30 September 2009

Legal and Administrative Information

Company Number 626693
Charity Number 209777

Board of Governors

Voting Governors, Trustees and Directors

Miriam Kramer	Chairman, appointed 1 January 2007
Dr Amanda Grant	Vice-Chairman, appointed 26 May 2009
Robert Graham	Honorary Treasurer, appointed 24 October 2001
Professor Shelley Heard	Additional Honorary Officer, appointed 1 May 2002
David Leibling	Honorary Secretary, appointed 25 May 1995
Alasdair Nisbet	Chairman, Development Board appointed 21 October 2003
Michael Francies	Patron Governor appointed 19 October 2009
Ian Karet	Patron Governor appointed 19 October 2009
Dee Lehane	Patron Governor appointed 19 October 2009
Michael Romain	Patron Governor appointed 19 October 2009
Stephen Moss CBE	Chairman, Movement for Reform Judaism, appointed 7 July 2008
Nigel Cole	Chairman, Liberal Judaism, appointed 7 February 2005, resigned 8 July 2009
Lucian Hudson	Chairman, Liberal Judaism, appointed 19 October 2009
Rabbi Sybil Sheridan	Nominee of Assembly of Rabbis, appointed 11 February 2008
Rabbi Neil Janes	Nominee of Rabbinic Conference, appointed 26 May 2009

Non-Voting Governors

Rabbi Professor Marc Saperstein	Principal, appointed 1 July 2006
Rabbi Dr Michael Shire	Vice Principal, appointed 23 October 2001
Stephen Ross	Executive Director, appointed Company Secretary 23 October 2001
Rabbi Shoshana Boyd-Gelfand	Movement for Reform Judaism, Executive Director, appointed 29 April 2008
Rabbi Danny Rich	Liberal Judaism Chief Executive, appointed 7 February 2005
Dr Annette Boeckler	Nominee of Academic Board, appointed 5 November 2007
David Mitchell	Nominee of Students' Society, appointed 7 July 2008, resigned 26 May 2009
Lea Muehlstein	Nominee of Students' Society appointed, 26 May 2009
Roy Graham	Nominee of UJIA, co-opted 11 February 2008

Management

Senior Management Team

Rabbi Professor Marc Saperstein	Principal
Rabbi Dr Michael Shire	Vice Principal and Director of the Department of Jewish Education
Stephen Ross MSc FCII FRSA	Executive Director and Company Secretary

Senior Staff

Jo-Ann Myers MA	Head, Department of Jewish Education
Rhona Lesner BA (Hons)	Head of HR and Support Services
Irit Burkeman MA	Head of Student Services
Gaby Ruppin MSc	Head of Academic Services

Registered Office and Operational Address

Sternberg Centre for Judaism
80 East End Road,
London N3 2SY
Telephone: 020 8349 5600
Facsimile: 020 8349 5619
Email: info@lbc.ac.uk
Website: www.lbc.ac.uk

Company Secretary

Stephen Ross MSc FCII FRSA

Auditors

Nyman Libson Paul
Regina House
124 Finchley Road
London NW3 5JS

Principal Investment Advisors

SG Hambros Bank Limited
Norfolk House
31 St. James's Square
London SW1Y 4JJ

Solicitors

Osmond Gaunt & Rose
Winston House
49 Regents Park Road
London N3 IDH

Principal Bankers

National Westminster Bank
48 Ballards Lane
London N3 2QZ

Report of the Board of Governors

Nature of governing documents

Leo Baeck College is a charitable company limited by guarantee. The trustees and directors are the voting members of the Board of Governors named on page 2. The original memorandum and articles were dated 24 April 1959, and amended by special resolutions dated 29 November 1990, 11 May 1992, 28 June 1993, April 1997, 23 October 2001, 3 May 2005, 23 May 2006 and 19 October 2009. In 2001 the Leo Baeck College assumed the activities previously carried on by the Centre for Jewish Education and a new Board of Governors was appointed.

The Memorandum and Articles of Association allow the charity to undertake any activity covered by its objects with no specific restrictions and limit the liability of the Members in the event of the company being wound up to a sum not exceeding £1 each.

Governance and Organisation

The directors of the company who are also the Trustees of the Charity have overall responsibility for its management and control, although this is effectively delegated to the Board of Governors, which include trustees and various other individuals. The work of implementing the policies is carried out by the Board of Governors in conjunction with the charity's officials.

Rabbi Professor Marc Saperstein was appointed as Principal as of 1 July 2006. The Principal is the senior academic and administrative officer of the College and is supported in his role by the Senior Management Team. He regularly reports to the Honorary Officers and Board of Governors. Trustee Governors serve for a period of three years and those retiring by rotation may be eligible for re-election. The Governors are required to meet no less than three times per year.

Whilst some governors are appointed ex officio, the Honorary Officers are appointed on the basis of their standing, experience and skills to provide a balanced Board with the ability to govern effectively.

Trustees are recruited through networks in the communities the College serves by identifying any skill shortage created by the departing trustee and targeting suitably qualified individuals to approach. Induction is provided to new trustees by the Company Secretary who supplies a pack comprising the governing documents, financial information, organisational charts, recent minutes etc and follows up with a tour of the campus and introduction to key staff, students and faculty members.

Following an EGM on 19 October 2009 the articles were amended to allow the appointment of four new Patron Governors to bring additional expertise and the perspective of private supporters of our Mission.

Training for trustees takes place approximately once a year usually in the form of a development session to examine an area of College activity or more generally to review future strategy. These sessions are typically facilitated by an external consultant and such a session took place on 8 July 2009.

The Company Secretary distributes occasional briefings from the Charity Commission and elsewhere to the Board and where relevant, selectively to particular Honorary Officers.

Auditors

Messrs Nyman Libson Paul were re-appointed auditors at the Annual General Meeting.

Activities, achievements and future plans

The objects of the College are the promotion and furtherance of Jewish religious and educational instruction and fostering and advancing the study of the classical texts of the Jewish tradition (Bible and rabbinic literature in the original languages), the study of Jewish history, literature, religious thought, education and culture, both religious and secular. The College sees itself as Europe's premier centre for Progressive Jewish learning.

The College seeks to achieve these objectives by pursuing its Mission as follows:

- To train rabbis and teachers for Jewish congregations, communities and schools
- To promote the study of Judaism in a spirit of reverence for Jewish tradition combined with scholarly enquiry and academic freedom
- To instill the love of learning in the Jewish community by raising the level of Jewish knowledge
- To stimulate Progressive Jewish thought, expand its vision and deepen its values
- To advance mutual understanding and respect within the Jewish people and amongst the religions, cultures and peoples of the world

Each year the trustees review our aims and activities to ensure they continue to reflect our objectives. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for public benefit. The trustees believe that the activities, achievements and future plans described here, demonstrate the public benefit that the College brings to the wider community, especially in relation to activities such as those outlined in the last point of our Mission above.

All students are eligible for various scholarships in support of their studies. Most students on the rabbinic programme receive scholarships to cover their fees and a contribution to living expenses, terms and conditions apply. The College policy is to ensure that no eligible and promising student is rejected for financial reasons and much fundraising effort goes into ensuring adequate funds are set aside for this purpose.

The College remains the only institution in the UK to offer rabbinic ordination, a Master's Degree in Jewish Education and Professional Development diplomas.

The main goals for the year included the implementation of the strategic plan for 2009-12, training more rabbis and teachers, enhanced programmes in Jewish Education, recognition of alumni, raising more funds, ensuring effective governance and reviewing management and staff costs.

The activities used to achieve these goals and objectives included ordaining a new class of eight rabbis, training teachers for communities and recruiting students for the new academic year, streamlined management of the DJE (Department of Jewish Education), development of the Graduates' Association, continued interfaith programmes, a successful fundraising dinner and a recruitment of additional Patrons, undertaking an externally guided governance review and introducing new student recruitment initiatives. The Summer Institute again proved popular with attendees and the annual teachers' conference attracted over 200 delegates. Work was carried out in the communities by supporting religion schools, day schools and offering public lectures. Plans to establish the first cross-communal Jewish day school will come to fruition in September 2010.

Academic standards were maintained and improved through oversight by College course team committees, the Academic Board and our validating bodies: Kings College London and London Metropolitan University. Our successful application with the British Accreditation Council allowed us to make a successful application to the UK Border Agency to become a licensed sponsor for non-EU students. There is also regular interaction with our external reviewer and observation of classes by the Principal.

Significant changes have taken place in the library this year. Due to the lack of space, the shelving of the collection in the library was reorganised during the summer with the help of up to 7 volunteers and also duplicate books and periodicals were disposed. In 2009 the library had 178 annual members and was used on a regular basis by 82 people.

We are continuing to explore alternative proposals to secure premises for the College on the site and exploring the possibility of a Heritage Lottery Fund application to contribute towards our costs of maintaining the heritage of the Manor House where many of our class rooms and offices are located. If successful, this would be open to the public at certain times.

The agreed current Strategic Plan, responding to the needs of the College stakeholders, will in 2009 - 12:

1. Produce 16 high quality community rabbis to drive forward Progressive Judaism in the UK and Europe.
2. Strengthen the capability of Synagogues and Schools to inspire and educate life-long learners by training 50 senior educators and enriching the educational quality of teaching and learning in all educational environments.
3. Develop 100 Jewish Leaders passionate about the principles of Progressive Judaism and enriched in their capacity to meet the needs of their communities.
4. Ensure long-term financial stability incorporating a balanced operating budget by sustaining fundraising income at around 30% of budget, increasing revenue income by 10%, initiating a staff realignment programme to save costs and reducing costs of accommodation on the Sternberg Centre site.

The following annual action plan was agreed for implementation in 2009 - 10 at the Board development session as an integral part of the above overall Strategic Plan:

1. Confirmation of competencies/areas of excellence

1.1 Objective appraisal of College competencies and areas of excellence. Carried out by the proposal for a Quinquennial Review from outside inspectors including possible use of HUC faculty and UK experts.

1.2 Review of competitive organisations, update other seminaries and colleges report.

2. Provision of rabbinic training

2.1 Review future needs of the communities by update rabbinic requirements predictions. Consider a strategy for recruitment in Europe.

2.2 Stated needs of rabbis from the Bergwerk Report. Jonathan Bergwerk is a management consultant.

2.3 Review the Bergwerk Report on recruitment activities and prepare Report for the Board.

Appoint Rabbi Judith Levitt to be Admissions Advisor.

2.4 Report on proposed changes to rabbinic programme to bring Report to the Board.

2.5 Secure commitment of Rabbinic bodies to proposed changes with a joint rabbinic meeting.

3. Services to communities

- 3.1 Receive report from DJE Consultative Committee on Movements' future needs with a report on needs with a view to prioritising DJE work.
- 3.2 Receive report from Day Schools on future needs after meeting with Heads.
- 3.3 Agree strategy for education work in Progressive Movements - need for vision, mission and strategy for DJE. This would include UJIA and other stakeholder.

4. Governance and promotion of the College

- 4.1 Review governance structure with a proposal for new Governance and Management teams including better communication between all parties.
- 4.2 Raise awareness of College and the changes it is going through using professional PR advice in a voluntary capacity.
- 4.3 Constructing a new contact data base.
- 4.4 Designing a new website.

5. Financial stability

- 5.1 Review proposals for balancing the budget and report to Board.
- 5.2 Review Scholarship system with Rabbinic Bodies and Movements.

Results of the year

The Trustees have adopted the provisions of the SORP 'Accounting and Reporting by Charities' in preparing the annual review and the financial statements of the charity which comply with current statutory requirements and the charity's governing document.

The net incoming resources were £358,093 (2008 £(179,178)) of which £(13,464) was used for restricted projects, (2008, £39,755).

Investment Policy

The College's investment manager is SG Hambros Bank Limited. The Treasurer's Report on page 8 deals with the performance of the portfolio.

SG Hambros Bank Limited manage a UK portfolio on behalf of the Board of Governors on a discretionary basis in accordance with the investment policy that the portfolio should be divided approximately 70%:30% between equities and bonds with a view to maximising long-term returns taking a low risk approach.

The Finance and Investment Committee comprises five members and is chaired by the Honorary Treasurer of the Board of Governors. It formulates and monitors the investment strategy and appoints fund managers to implement their recommendations. It meets at least four times a year.

Designated funds

Designated funds form part of the general funds. These funds have been designated by the Directors for particular purposes and are separately identified in the notes to the accounts. The directors may remove any particular designation and returned them to general funds if required.

Restricted funds

Restricted and endowment funds totalled £527,139 at year end (2008, £540,603).

Although no formal legal restrictions are understood to have been placed on the funds now classified as general, a number of the fund donors or their relatives had previously entered into discussion with the College as to the use of the monies. To respect the intentions of these donors, a number of the funds have been designated by the trustees for these purposes.

Reserves

The current level of unrestricted reserves is £755,271. Of this, £326,995 is represented by long leasehold and freehold property and the remainder is held as working capital and cash. The trustees consider the reserves are adequate for the foreseeable future. Although there is a budget deficit projected for the current year ended 30 September 2010 the trustees are working towards a balanced budget for the year to 30 September 2012.

Risk Management

The Board of Governors of the College is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and Investment Committee, assisted by the members of staff. Risks are identified and assessed as part of the management process and controls are established to manage the risks. A formal review of the College's risk management processes is undertaken regularly.

The key controls used by the College are:

- Formal agendas and minutes for Board of Governors' meetings and academic and administrative meetings
- Detailed job descriptions for the management team and terms of reference for the academic and administrative committees
- Annual budgets and regular management accounts
- Formal written policies, including authority limits

Through the risk management processes established for the College, the members of Board of Governors, as 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 identified and so mitigated.

Governance and internal control

Company and charity law 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 surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 Companies Act 2006. 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.

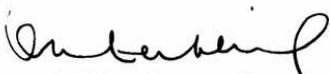
Disclosure of information to auditors

In accordance with company law, as the company's directors, we certify that:

(a) So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report was approved by the Board of Governors on 11 December 2009 and signed on its behalf by:



David Leibling, Honorary Secretary

Treasurer's Report

I am pleased to present my Treasurer's Report for the year to 30 September 2009.

As a consequence of significant donations received and the sale of some art work, the College made a net operating surplus of £358,093 in the year to 30 September 2009 which represented an increase over the equivalent net deficit of £179,178 incurred in the previous year. After allowing for realised and unrealised gains and losses on investments, the overall effect on the College's net funds during the year was an increase of £355,383 as compared with the decrease of £209,135 last year.

The College's income increased by £475,253 (or 32%) during the year, from £1,485,524 to £1,960,777 mainly as a result of increases in donations and the art sale mentioned above.

Total expenditure decreased again slightly during the year, from £1,664,702 to £1,602,684, mainly due to the decreased cost of charitable activities in respect of staff costs.

The College did not realise any profit on its investment portfolio, compared to a profit of £1,143 in 2008. Unrealised losses in the College totalled £2,710 as compared with the loss of £31,100 produced last year, reflecting the effect of variations in the Stock Market and investment values over the past year. The Finance and Investment Committee is currently reviewing the investment strategy.

The exceptional income referred to above allows us to review our financial position and we plan to eliminate our projected operating deficit in an orderly fashion over the next 3 years. The College is therefore carefully reviewing all aspects of its operations with a view to developing a coherent plan for achieving this financial objective in a manner that still permits us to secure the objectives set out in the Strategic Plan.

It is appropriate again to acknowledge the invaluable support provided by the Movement for Reform Judaism, Liberal Judaism and the UJIA their continued support at current levels is important to our plans for achieving the break even operating position. I would also wish to recognise the increasing value of the support that the College receives from its growing number of supporters, patrons and benefactors in the form of donations and legacies.

The College remains committed to improving the quality of courses and educational programmes offered, and this will only be possible if we can attract new and sustainable sources of funding. If the College is to realise the ambitious strategic objectives it has set out for itself, it will have to broaden its appeal to potential supporters throughout the Progressive Jewish Community.

In conclusion, I should like to thank Stephen Ross, the College's Executive Director, and his team for all their hard work, success in raising substantial funds and for the support and encouragement they have given to all the Honorary Officers over the past year.



Robert Graham
Honorary Treasurer
11 December 2009

Leo Baeck College

Accounts

YEAR TO 30TH SEPTEMBER 2009

Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Designated Funds	Total Fund 2008/9	Total Fund - as Restated 2007/8
	£	£	£	£	£	£
Income and Expenditure Account:						
<u>INCOMING RESOURCES</u>						
<u>Incoming resources from generated funds</u>						
<u>Voluntary income</u>						
	379,812				379,812	380,000
Movement for Reform Judaism	162,400				162,400	158,000
Liberal Judaism	103,446	25,000			128,446	153,706
United Jewish Israel Appeal	46,717	71,981		350,000	468,698	184,491
Other donations and grants						
<u>Activities for generating funds</u>						
	141,441				141,441	117,010
Income from patrons and friends	1,293	1,108	308		2,709	12,846
Investment income and interest						
Proceeds from Art Sale				215,000	215,000	
	835,109	98,089	308	565,000	1,498,506	1,006,053
<u>Incoming resources from charitable activities</u>						
	227,920				227,920	193,473
Tuition fees	35,113				35,113	25,650
Student and other accommodation fees	146,049				146,049	190,801
Income from programmes	53,189				53,189	69,547
Sundry sales income						
Total Incoming Resources	1,297,380	98,089	308	565,000	1,960,777	1,485,524
<u>RESOURCES EXPENDED</u>						
<u>Cost of Generating Funds</u>						
	126,012				126,012	120,420
Fundraising and publicity	32,106				32,106	30,863
Other Costs						
Charitable Activities	1,282,921	109,449	996	10,200	1,403,566	1,467,572
Governance costs	41,000				41,000	45,847
Total resources expended	1,482,039	109,449	996	10,200	1,602,684	1,664,702
Net incoming/ (outgoing) resources	(184,659)	(11,360)	(688)	554,800	358,033	(179,178)
<u>Other recognised gains and losses</u>						
	0	0	0	0	0	1,143
Realised gains on investments	(1,294)	(1,108)	(308)	0	(2,710)	(31,100)
Unrealised gains on investments						
Net movement in funds	(185,953)	(12,468)	(996)	554,800	355,383	(209,135)
<u>RECONCILIATION OF FUNDS</u>						
	9,562	423,127	117,476	376,862	927,027	1,136,162
Fund balances brought forward - at 1st October 2008						
Fund balances carried forward at 30th September 2009	(176,391)	410,659	116,480	931,662	1,282,410	927,027

Balance Sheet

As at 30 September 2009

Registered Number: 626693

	Notes	2009 £	2008 £
Fixed assets			
Tangible fixed assets	7	555,218	565,352
Investments	8	<u>165,904</u>	<u>193,618</u>
		<u>721,122</u>	<u>758,970</u>
Current assets			
Debtors	9	162,351	210,092
Stock		5,000	5,000
Cash at bank and in hand		<u>481,057</u>	<u>183,382</u>
		<u>648,408</u>	<u>398,474</u>
Creditors			
Amounts falling due within one year	10	<u>87,120</u>	<u>230,417</u>
Net current assets		<u>561,288</u>	<u>168,057</u>
Total assets less current liabilities		<u>1,282,410</u>	<u>927,027</u>
Represented by:			
General funds	11	(176,391)	9,562
Designated funds	11	<u>931,662</u>	<u>376,862</u>
Total unrestricted funds		<u>755,271</u>	<u>386,424</u>
Restricted funds	11	410,659	423,127
Endowment funds	11	<u>116,480</u>	<u>117,476</u>
		<u>527,139</u>	<u>540,603</u>
		<u>1,282,410</u>	<u>927,027</u>

These accounts have been prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006 and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

These Financial Statements were approved by the Board of Governors (the Trustees of the Charity and the Directors of the Company) on 11 December 2009 and signed on their behalf by:



Robert Graham
Honorary Treasurer

The notes on the following pages form part of these financial statements.

Notes to the accounts

1. Accounting Policies

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' issued 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

b) Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds represent those funds which must be held permanently by the charity. Income arising on the endowment funds is used in accordance with the wishes of the donors.

Investments are treated on a pooled basis and are not allocated to individual funds. Therefore all investment income and capital gains or losses arising on the investments are apportioned between the endowment, restricted and general funds in proportion to the opening balance of those funds respectively. Investment management charges are included within the cost of generating funds.

The Total Fund for 2007/8 has been restated to show a meaningful comparison of the United Jewish Israel Appeal Income which has been aggregated from other income headings to display the correct total received.

c) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Charitable Activities Costs represent the cost of running the four charitable activities and include the direct costs and an allocation of support costs.

Governance Costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

e) Tangible Fixed Assets

All assets costing more than £1,000 are capitalised and depreciated on a straight line basis as follows:

Freehold land and buildings	50 years
Long leasehold land and buildings	50 years
Office equipment	4 years
Computer equipment	3 years

f) Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

g) Stock

Stock comprises books for resale and is stated at the lower of cost and net realisable value.

h) Pensions

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable. The pensions are held in separately administered funds with insurance companies

i) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

2 Investment Income and Interest

	2009	2008
	£	£
Interest on cash deposits	1,567	4,958
Dividends from investments	0	3,389
Interest from Bonds	1,142	4,499
Total	2,709	12,846

3 Fundraising and Publicity

	Unrestricted	Restricted & Endowment	Total	Total
	£	£	£	£
Staff costs	77,191	-	77,191	81,194
Publicity, advertising and rabbinic recruitment	43,043	-	43,043	34,626
Annual Review	5,778	-	5,778	4,600
Total	126,012	-	126,012	120,420

4 Charitable Activities

	Unrestricted	Restricted & Endowment	Total	Total
	£	£	£	£
Tuition	650,444	68,796	719,240	770,791
Student Accommodation	22,083	0	22,083	20,204
Programmes, Jewish Lifelong Learning & interfaith	519,301	39,660	558,961	564,809
Library and Sundries	101,293	1,989	103,282	111,768
Total	1,293,121	110,445	1,403,566	1,467,572

Note - Charitable Activities include the following allocation of Support Costs

5. Support Costs	Student				Library & Sundries	Governance Costs	Total 2009	Total 2008
	Tuition	Programmes	Accommodation					
	£	£	£	£	£	£	£	£
Support Staff Costs	104,760	83,808	6,286	14,666	-	209,520	221,283	221,283
Training Costs	810	648	49	113	-	1,620	1,533	1,533
Rent	23,940	19,152	1,436	3,352	-	47,880	57,111	57,111
Insurance	1,937	1,549	116	271	-	3,873	3,500	3,500
Printing, postage, stationery	272	218	16	38	-	544	7,394	7,394
Telephone	(516)	(413)	(31)	(72)	-	(1,032)	2,208	2,208
Computer Costs	12,530	10,024	752	1,754	-	25,060	21,699	21,699
Travelling	1,804	1,443	108	252	-	3,607	2,994	2,994
Depreciation	7,188	5,750	431	1,006	-	14,375	14,375	14,375
Accountancy, Legal & Audit Fees	-	-	-	-	41,000	41,000	45,847	45,847
Other Costs	41,306	33,045	2,478	5,783	-	82,613	40,185	40,185
Total	194,031	155,224	11,642	27,163	41,000	429,060	418,129	418,129

6 Analysis of Total Staff Costs

Staff Costs:	Total 2009	Total 2008
	£	£
Wages and salaries including visiting lecturers	608,332	612,582
Social security costs	56,544	62,845
Pension costs	31,948	32,755
Total	696,824	708,182

The emoluments of higher paid employees fell within the following range:

	2009	2008
£80,000-£90,000	1	1
£60,000-£70,000	1	1

In addition pension contributions of £11,082 (2007 £13,617), were made in respect of these employees

The full time equivalent average of employees, analysed by function was :

Academic	7	9
Support and Fund Raising	5	5
Library	2	3
Totals:	14	17

Salaries include £26,639, (2008, £26,757) relating to visiting lecturers not included in the average number of employees.

The Trustees did not receive any remuneration or reimbursement of expenses.

7. Fixed Assets	Freehold land and buildings	Long Leasehold	Office Equipment	Total 2009
Cost				
Cost at 1 October 2008	618,749	100,000		718,749
Additions	-	-	4,241	4,241
Cost at 30th Sept 2009	<u>618,749</u>	<u>100,000</u>	<u>4,241</u>	<u>722,990</u>
Depreciation				
At 1 October 2008	123,397	30,000		153,397
Charge for the year at 30th September 2009	12,375	2,000		14,375
	<u>135,772</u>	<u>32,000</u>	<u>-</u>	<u>167,772</u>
Net book value at 30th September 2009	<u>482,977</u>	<u>68,000</u>	<u>4,241</u>	<u>555,218</u>
Net book value at 30th September 2008	<u>495,352</u>	<u>70,000</u>	<u>-</u>	<u>565,352</u>

The fixed assets comprise a long leasehold interest in the Manor House at the Sternberg Centre from where the Charity operates and has a library. Also the Charity owns two freehold houses located close to the College. These assets are stated at cost less depreciation although in the opinion of the trustees the market value exceeds this.

Historic asset

The College owns a library housed at the Sternberg Centre. It comprises about 60,000 volumes, a Rare Book collection including books held in trust on long-term loan and sundry artefacts. Many items have been donated over a period of 25 or more years and others have been purchased. The original cost of the assets has not been included in the balance sheet. They are insured for a sum in excess of £2m. which is an estimate of the replacement cost.

8. Investments

Market value	2009 £	2008 £
Listed investments dealt with on a recognised stock exchange:	<u>165,904</u>	<u>193,618</u>
Investments representing over 5% in value:	%	%
16,970 Artemis Income Fund Units	16	13
25,000 Inter-Amr Dev Bank 5.75%	-	13
6,100 Artemis UT UK Special Solutions	11	9
11301 Artemis European Growth Fund	11	9
1,737 Schroder US Smaller Companies	10	8
9,241 Axa Frantington American Growth Fund	10	8
8,657 Jupiter UK Growth Fund	9	6
8,581 Thames River Preference Shares	7	6
1,002 Fidelity (UK) European Fund	6	5
7,286 Gartmore UK Equity	8	7
Quoted Investments		
Market value at 1 October 2008	193,618	£ 423,305
Acquisition cost	17,541	191,694
Disposals during the year	(42,544)	(391,625)
Net realised investment gains/(losses)	-	1,709
Net unrealised investment gains/(losses)	(2,711)	(31,665)
Market Value at 30 September 2009	<u>165,904</u>	<u>193,618</u>
Historical cost as at 30 September 2009	<u>187,747</u>	<u>212,330</u>

9. Debtors	2009	2008
	£	£
Trade debtors	129,698	170,854
Other debtors	32,653	39,238
	162,351	210,092

10. Creditors	2009	2008
	£	£
Trade creditors	29,927	24,161
Other creditors	2,483	1,023
Accruals	40,805	68,164
Deferred Income	13,905	137,069
	87,120	230,417

11. Statement of funds

	Balance at 1 Oct 2008	Income	Expenditure	Transfers	Balance at 30 Sept 2009
	£	£	£	£	£
General reserve	9,562	1,296,086	(1,482,039)		(176,391)
Designated funds					
Materials for the library	14,314				14,314
Manor House Repair Fund	46,789				46,789
Development Fund	225,269	315,000			540,269
Pamela (Leila) Littman Scholarship Fund	90,490		(10,200)		80,290
The Sidney Kingsley Trust Fund		250,000			250,000
Total designated funds	376,862	565,000	(10,200)		931,662
Total unrestricted funds	386,424	1,861,086	(1,492,239)		755,271
Restricted funds					
Ascher bequest for lectureship in Talmud	228,934	(1)	(4,101)		224,832
Eastern European fund	7,384	26,304	(22,300)		11,388
European rabbinic students fund	12	(0)	(12)		(0)
Interfaith fund	12,613	2,560	(5,421)		9,752
Pamela and Anthony Littman book fund	15,304	(0)	(25)		15,279
Progressive Judaism Library fund	2,979	(0)	0		2,979
Student Support fund for college students	199	9,000	(7,427)		1,772
UJIA fund for fellow in education	0	25,000	(25,000)		0
Windermere Avenue Appeal fund	22,992	(0)	(1,964)		21,028
Library Judaica fund	7,594	(0)	0		7,594
NILPS Trust for Progressive Judaism	147	3,500	(3,649)		(2)
Rabbi Professor Magonet Scholarship Fund	58,540	(0)	(21,000)		37,540
Rabbinic Student Dependent Fund	519	5,460	(5,984)		(5)
The Rothschild Foundation Europe	0	4,250	(4,250)		0
Van der Zyl Statue Fund	1,407	2,141	0		3,548
Lectureship in Jewish Thought and Ethics	64,513	(0)	(3,326)		61,187
Summer Institute Fund	(10)	5,000	(4,990)		0
Michael Goulston Education Foundation	0	13,767	0		13,767
Total restricted funds	423,127	96,981	(109,449)		410,659

Note : Negative income arises from allocation of investment losses to restricted funds

Endowment funds

Arthur and Sybil Simon bursary fund	17,024	0	(144)		16,880
Bechler Charitable Trust	100,452	0	(852)		99,600
Total endowment funds	117,476	0	(996)		116,480

Total funds	927,027	1,958,067	(1,602,684)		1,282,410
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12. Analysis of Net Assets between Funds:

	Property	Investments	Net current assets	Creditors due After more than one year	Total 2009
Total restricted and endowment funds	228,223	68,196	230,720		527,139
Total unrestricted funds	326,995	97,708	330,568		755,271
	555,218	165,904	561,288		1,282,410

There are total investment management fees of £1,534 included within the cost of generating funds.

Purposes of designated funds

Designated funds are not legally restricted but the original donors or their relatives had previously entered into discussion with the College as to the use of the monies. It is intended to respect the wishes of these donors but the use of these designated funds is subject to the discretion of the Governors.

The Manor House Repair Fund has been set aside by the Governors for the refurbishment of the premises used for teaching, the library and offices.

The Development Fund was established by the Governors to set aside any unbudgeted legacy and other income for specific projects in furtherance of the future development of the College.

The Pamela (Leila) Littman Scholarship Fund has been created partly out of the proceeds of a fund established by the donor's father who was connected to the St. Georges Settlement and North Western Reform Synagogue. The balance of the Fund was contributed from monies Mrs Pamela Littman z"l earned as a solicitor carrying out legal aid work. The donor has chosen to make this donation that will make a very real and significant difference to the future of Progressive Jewry out of her commitment to Judaism and to further Jewish education for the benefit of future generations.

The Sidney Kingsley Trust established a Fund at the College to provide facilities for students in support of their studies, including the award of named scholarships.

Purposes of restricted funds

The Ascher Bequest was received in 1989 for the purposes of founding and endowing a lectureship in the College. Unspent income must be accumulated but the trustees may spend the income and capital to set up this lectureship. Currently the income is used for the Ascher Lecturer in Talmud.

The Eastern European Fund is used for scholarships to students from the former Soviet Union.

European Rabbinic Student Fund is to support European students.

The Interfaith Fund is used to support a variety of Interfaith activities run by the College, including the annual Jewish-Christian-Muslim Student Conference, Jewish-Christian Bible Week, the Jewish-Muslim lecture series and occasional publications.

The Pamela and Anthony Littman Book Fund is to provide core books particularly to rabbinic students with limited financial resources.

The Progressive Judaism Library Fund was donated to develop a library of progressive Judaism.

The Students Support Fund is largely received from the Jewish Joint Burial Society to enable assistance to be given to support rabbinic students in their studies.

The Head of the Department of Jewish Education is the current UJIA Fellow of Education.

The Windermere Avenue Appeal Fund was raised to provide capital to purchase two houses close to the College. The remaining Fund is used for capital repairs.

The Library Judaica Fund was raised to purchase books relating to the Beth Din or other rare Judaica.

The Rabbi Professor Jonathan Magonet Scholarship fund was established to provide for promising students to attend the college who may otherwise be unable to do so.

The Rothschild Foundation Europe provided support towards the establishment of a full time lectureship in rabbinic studies and was fully expended for this purpose during the year. The Foundation also supported the Summer Institute Fund.

The NLPS (North London Progressive Synagogue) Trust for Progressive Judaism Fund provided funding for capital and other projects at the College which promote Progressive Jewish values.

The Rabbinic Student Dependents Fund provides supplementary scholarships for students with dependents.

The Van der Zyl Statue Fund is collecting donations to create a memorial of the College founder, Rabbi Van der Zyl and create a scholarship in his name.

The Lectureship in Jewish Thought and Ethics was created with proceeds for the 50th Anniversary Gala Dinner and expenditure during the year related to a visiting lecturer.

The Humanitarian Trust provided funding for fees of students on education programmes and was fully expended for this purpose during the year.

The Michael Goulston Education Foundation was a separate charity merged into the College on 15 June 2009. Its only asset was a bank account which is now held in a fund on the same terms i.e. advancement of Jewish education in particular assistance for teaching resources.

The Summer Institute Fund comprises grants received as a contribution towards the cost of running this annual event for lay leaders, rabbis and students.

Purposes of Endowment Funds

The Arthur and Sybil Simon Scholarship Fund was received in 1993 to provide scholarships for overseas rabbinic students. The income only may be used for this purpose.

The Bechler Charitable Trust was received in 1995 to provide for the training of European rabbinic students. The income only may be used for this purpose.

12 Analysis of Net Assets between Funds:

	Property	Investments	Net current assets	Creditors due After more than one year	Total 2009
Total restricted and endowment funds	228,223	68,196	230,720		527,139
Total unrestricted funds	326,995	97,708	330,568		755,271
	<u>555,218</u>	<u>165,904</u>	<u>561,288</u>		<u>1,282,410</u>

13. Connected Charities

The Leo Baeck College has some trustees in common with the Movement for Reform Judaism and Liberal Judaism (grants have been received from both these organisations as shown in the SOFA) and the Manor House Trust (to whom service charge payments were made during the year).

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LEO BAECK COLLEGE

We have audited the financial statements of Leo Baeck College for the year ended 30 September 2009 set out on pages 9 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 30 September 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

Jennifer Pope (Senior statutory auditor)

for and on behalf of
Nyman Libson Paul



Chartered Accountants
Statutory Auditors

Regina House
124 Finchley Road
London
NW3 5JS

Date: 11 December 2009