

Leo Baeck College

At the Heart of Progressive Judaism



Trustees' Report

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for the year ended 30 September 2015

Legal and Administrative Information

Company Number 626693
Charity Number 209777

Board of Governors

Governors, Trustees and Directors

Noeleen Cohen	Chair , appointed 31 March 2014 (originally appointed as Movement for Reform Judaism board representative, 12 December 2011)
Rabbi Josh Levy	Vice Chair , appointed 4 November 2013 (appointed as the Nominee of the Assembly of Rabbis 5 September 2011)
Robert Graham	Honorary Treasurer , appointed 24 October 2001 Resigned at AGM 2015
David Kirk	Honorary Secretary , appointed 4 November 2013 (appointed as a governor 13 June 2011)
David Hockman	Liberal Judaism representative appointed 18 June 2012
Ian Karet	Governor, appointed 19 October 2009 Resigned 30 March 2015
Rabbi Yuval Keren	Nominee of the Rabbinic Conference, appointed 4 November 2013
Dee Lehane	Governor, appointed 19 October 2009, resigned 28 January 2015
Rabbi Danny Rich	Liberal Judaism Chief Executive, appointed 7 February 2005
Michael Romain	Governor, appointed 19 October 2009, resigned 4 December 2014
Rabbi Dr Michael Hilton	Nominee of the Assembly of Rabbis, appointed 4 December 2014
Joanne Masters	Appointed 30 March 2015
Naomi Segal	Appointed 30 March 2015
Mark Fox	Appointed 23 June 2015

Non-voting student representatives

Nathan Godleman	Student representative, appointed 4 December 2014
Kath Vardy	Student representative, appointed 4 December 2014

Senior Staff

Rabbi Dr Deborah Kahn-Harris	Principal
Rabbi Dr Charles Middleburgh	Dean
Dr Annette Boeckler	Senior Librarian
Rhona Lesner BA (Hons)	Head of HR and Support Services
Jo-Ann Myers MA	Director of Jewish Education
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

Auditors

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

Principal Investment Advisors

Investec Wealth & Investment Limited
2 Gresham Street
London, EC2V 7QN

Solicitors

OGR Stock Denton LLP
Winston House
349 Regents Park Road
London N3 1DH

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 members of the Board of Governors named on page 2. The original memorandum and articles were dated 24 April 1959, and have been amended by special resolutions since then, the latest being 1 November 2010.

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 Governors are the directors of the company, and are also the trustees of the charity. The Governors have overall responsibility for the management and control of the organisation with the day-to-day operations being delegated to the professional staff. The work of implementing the policy and strategy is carried out by the Board of Governors in partnership with the Senior Management Team (SMT).

Rabbi Dr Deborah Kahn-Harris was appointed as Principal in September 2011. The Principal is the senior academic and administrative officer of the College and is supported in her role by the Senior Management Team (SMT). The Principal regularly reports to the Honorary Officers and Board of Governors.

Governors serve for a period of four 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. While some governors are appointed ex officio, others are appointed on the basis of their standing, experience and skills to provide a balanced board with the ability to govern effectively.

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

In November 2010 the Memorandum and Articles were updated to reflect the role of students and staff on the board. The Principal and student representatives continue to sit on the board in a non-voting capacity. It is proposed that a governance review takes place in 2016. The Board of Governors have identified gaps in the skills and expertise available to the board and will aim to fill roles identified in the review to ensure a strong, sustainable board able to deal with economic, demographic and related challenges.

Occasional training for governors takes place in the form of a development session to examine particular areas of College activity or more generally to review future strategy. These sessions are typically facilitated by an external consultant.

The Company Secretary also 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

Leo Baeck College is a preeminent institution of Jewish scholarship and learning that is open to all. At Leo Baeck College we combine inspirational, high calibre teaching with a commitment to enriching the intellectual and spiritual lives of the Progressive Jewish Community.

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 liturgy, history, literature, theology, philosophy, education and culture, both religious and secular.

The objectives of the College are supported by:

- A commitment to training rabbis and Jewish Educators who will ensure a deep understanding and appreciation of authentic, egalitarian, accessible Judaism within our communities.
- Developing rabbis who will build vibrant and sustainable communities whilst being sensitive to the constantly changing needs of contemporary Jewish life and livelihoods.
- A unique opportunity to nurture our students to ensure their personal, academic, vocational and spiritual development.
- A vibrant learning ethos that is imbued with a clear sense of equality, openness to critical thinking, authorship and authenticity and a devotion to God and Torah.
- A faculty who are academically accomplished and inspiring. They demand intellectual rigour and challenge ideas whilst instilling in our students a deep love for Jewish tradition and texts.
- Being the home of Europe's leading Jewish Library that is and will continue to be an irreplaceable resource for scholars, rabbis and students who wish to access these sacred books.
- A commitment to creating a generation of Jewish Educators who teach with knowledge and passion and who cultivate a love of Jewish learning and Jewish tradition that will shape the Jewish experience of our children.
- Having a unique position within the Progressive Jewish community as the best institution to offer excellent adult Jewish study beyond the synagogue, taught by educators who understand the lives and reflect the values and theologies of the people who they teach.

The vision: to build a community of skilled, passionate and dedicated rabbis, Jewish Educators and lay leaders who are inspired by Judaism and are inspiring about Judaism

Each year the governors review the aims and activities of the College to ensure that they continue to reflect our objectives. In carrying out this review the governors 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 governors believe that the activities, achievements and future plans described here, demonstrate the public benefit that the College brings to the wider community.

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 subject to terms and conditions. Since September 2013 the Reform and Liberal movements directly sponsor individual students with scholarships subject to their terms and conditions.

Our curriculum for rabbinic and education students and our new degree programmes are now fully established. This has created ever closer links between academic and vocational training of our students and helped to ensure that the rabbis of the future come out better qualified, more competent and more confident in core rabbinic skills.

The College is focused on continuing to provide the best training for rabbis and Jewish teachers in Europe. Under our Principal, Rabbi Dr Deborah Kahn-Harris, we provide a range of courses that are validated by Middlesex University and offer a variety of learning opportunities for students from the UK and overseas.

The ordination ceremony was held on Sunday 7 July 2015 at Southgate Progressive Synagogue. Emily Jurman and Adam Frankenberg received *Smicha* (rabbinic ordination). There are currently 18 students on the Rabbinic Programme compared with 15 in the year to 30 September 2014. The College remains the only institution in the UK to offer academically accredited rabbinic ordination.

The MA in Jewish Education is uniquely offered through blended learning, making it accessible to students from all over Europe and beyond. Its international and comparative orientation distinguishes it from other MAs in Jewish Education in the UK. Our adult learning programme, the Leo Baeck *Lehrhaus*, now in its second year, continues to grow and prosper with more students attending the broad range of courses that are on offer.

The College has a number of key stakeholders. These include the Movement for Reform Judaism (MRJ) and Liberal Judaism (LJ) and other organisations that provide bursaries for students and contribute to core funding. Our funders (Patrons and Friends) are valued stakeholders who provide the College with financial support and advocacy. Our alumni and the communities and organisations that they serve, students and faculty are key stakeholders in the work that we do and the on-going sustainability of the College. We aim to continue to reach out and ensure that our students and faculty spend as much time as possible within communities, in synagogues and at other community events.

The College is involved in continuing discussions with our stakeholder organisations, the Reform and Liberal Movements, about the level of funding that they provide to support the on-going needs of the rabbinic programme and enable the College to continue to train rabbis and Jewish educators who fully understand the Jewish community in which they work.

Leo Baeck College is an accredited institution that is reviewed by the Quality Assurance Agency. The **Quality Assurance Agency** for Higher Education (QAA) is the independent body that checks on standards and quality in UK higher education. It conducts quality assessment reviews, develops reference points and guidance for providers. All our courses are accredited. The University of Winchester accredited all Jewish Studies and Education courses until the end of the 2014/15 academic year. Since the beginning of September 2015, the Jewish Studies courses are accredited by Middlesex University. The education courses will follow in September 2016. Our rabbinic students embark on a five year course which results in *Smicha* (ordination) at the end of the programme. The College therefore needs to ensure a sustainable funding programme to support each new intake of students in the five year cycle of study.

The Board of Governors and Senior Management Team continue to closely monitor expenditure and overhead costs in an ongoing commitment to achieving a balanced budget. We are investing considerable time, effort and resources to expand the fundraising effort. In June 2015 a new Head of Fundraising was appointed to fully support this work.

As we approach the 60th anniversary year of Leo Baeck College, we are committed to holding fundraising dinners in May 2016 and May 2017, The dinners will both celebrate the success of the College as a centre of excellence for the training of Rabbis and Jewish educators (both in the UK and Europe) and capitalise on the opportunity to raise the funds needed to achieve our fundraising targets.

Many academic institutions have an Endowment Fund to supplement their annual fundraising campaign. We started our own in 2012, with a generous donation from The Suminden Bursary Fund. This has given us a solid basis to build on for the future and is a key fundraising objective.

The College is situated at the Sternberg Centre and, along with the MRJ, occupies the Manor House. The Sternberg Centre site continues to develop and change. The library is central to the educational activity of the College. Situated in the basement of the Manor House, it is subject to the deterioration of the condition of the building and is no longer able to comfortably house the College's growing number of books and publications. The Governors are constantly looking at an alternative space in which to house this extensive and valuable Jewish library.

In support of this objective, the Governors explored the opportunity to take over the unused space that was previously the New North London Synagogue to develop a new library. A number of planning issues on the Sternberg Centre site have arisen that have delayed the pursuance of this objective.

The Governors will continue to look at the options that are available to them when assessing the viability of continuing this project that will require a sustained fundraising effort.

Results for the year

The Governors 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 documents.

The net outgoing resources before other gains and losses were £220,624 (2014: *outgoing* £151,066) including a deficit of £42,119 for restricted projects (2014: *deficit* £46,542) and no change to the designated projects.

Investment Policy

The College's investment manager is Investec Wealth & Investment Limited. The Finance Report (Pg 10) deals with the performance of the portfolio.

Investec Wealth & Investment Limited manages a UK portfolio representing our endowment fund on behalf of the Board of Governors on a discretionary basis. The fund is managed in accordance with the investment policy that the portfolio should operate with no initial investment exceeding 10% of the total value of the funds under management and the total sum of all equity holdings in excess of 5% must not be equal to or exceed 40% of the fund's value at anytime. There is a target 'balanced' return between income and capital with a 'medium' risk criterion.

The Finance and Resources Committee comprises up to five members and is chaired by the Honorary Treasurer or Honorary Secretary of the Board of Governors. In addition to overseeing the resources of the College, 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 totaling £357,255 (2014: £357,255) 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 and Endowment funds

Restricted and endowment funds totalled £785,872 at year end (2014: £839,062).

Although no formal legal restrictions 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 governors for these purposes.

Reserves

The level of unrestricted reserves at 30 September 2015 was £1,193,808 (2014: £1,353,755) Although there is a budget deficit projected for the current year ended 30 September 2016 the trustees, as part of the current financial strategy, are working towards a balanced budget within the shortest possible time.

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 Resources 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 periodically.

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 the 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.

Trustees responsibilities statement

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.

In conclusion, I should like to thank Rabbi Dr Deborah Kahn-Harris, the professionals and dedicated staff team, as well as the members of our wonderful faculty, for their dedication and continued commitment to the College. Stephen Ross, stepped down as Executive Director in May 2015. I would like to thank him for 12 years of dedicated service to the College, our Principals and the many members of staff and students. The Honorary Officers and Board of Governors are invaluable. I would like to thank each of them for their ongoing support and guidance this past year.

The report was approved by the Board of Governors on 24 March 2016 and signed on its behalf by:



Noeleen Cohen, Chair
24 March 2016

Financial Report 2014/15

I am pleased to present the Financial Report for the year to 30 September 2015

The College made a net operating deficit of £220,624 in the year to 30 September 2015 compared to a net deficit of £151,066 in the previous year. After allowing for other recognised gains and losses from the endowment and investment portfolio, the College's net funds decreased by £213,137 compared to a decrease of £7,420 in the prior year.

The College's income showed a decrease of £128,599 (12%) during the year from £1,029,712 to £901,113. The decrease can be attributed to changes in the fundraising department that resulted in a decrease in overall activity and the decision not to hold an annual fundraising dinner in May 2015. In the transition period, attention was given to supporting on going relationships with Patrons who generously continue to support the College to the same level as previous years. A new head of fundraising was appointed in June 2015. Total expenditure decreased by £59,041 to £1,121,737 on the back of further cost saving initiatives and delayed recruitment of replacement staff.

The College realised a profit of £45,898 on its investment portfolio in the year (2014: £9,577). Unrealised gains on Investments totalled £63,276 (2014: £22,433) reflecting the effect of variations in the Stock Market and investment values over the past year.

In 2014/15 financial year the College utilised £125,000 (2013/14 £125,000) of investments to ensure sufficient cash reserves were available for day to day operations.

The College is grateful for the invaluable assistance provided by the Movement for Reform Judaism and Liberal Judaism. Their continued support is an important aspect of the Board of Governors plan to achieve a break even operating position. The College also recognises the value of the support received from its growing number of supporters, Patrons and benefactors. Leo Baeck College has over 30 annual commitments from Patrons of between £1,000 and £10,000. We are continuing to build on the endowment fund which produces some income on an annual basis.

David Kirk
Honorary Secretary
24 March 2016

Leo Baeck College

Accounts

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

Notes	General Funds	Revaluation Reserve	Designated Funds	Restricted Funds	Endowment Funds	Total Fund 2014/15	Total Fund 2013/14
	£	£	£	£	£	£	£
Income and Expenditure Account:							
<u>INCOMING RESOURCES</u>							
<u>Incoming resources from generated funds</u>							
<i>Voluntary Income</i>							
Movement for Reform Judaism	306,410	-	-	-	-	306,410	314,209
Liberal Judaism	168,181	-	-	-	-	168,181	158,047
UJIA	-	-	-	-	-	-	5,000
Other donations and grants	51,496	-	-	32,106	-	83,602	139,725
<i>Activities for generating funds</i>							
Income from patrons and friends	192,287	-	-	-	-	192,287	150,102
Investment income and interest	2	13,541	-	-	15,191	28,732	20,787
	731,915	-	-	32,106	15,191	779,212	787,870
<u>Incoming resources from charitable activities</u>							
Tuition fees	58,257	-	-	-	-	58,257	69,282
Student and other accommodation fees	38,825	-	-	-	-	38,825	49,878
Income from programmes	18,698	-	-	-	-	18,698	106,238
Sundry sales income	6,121	-	-	-	-	6,121	16,444
Total Incoming Resources	853,816	-	-	32,106	15,191	901,113	1,029,712
<u>RESOURCES EXPENDED</u>							
<i>Cost of Generating Funds</i>							
Fundraising and publicity	3	55,872	-	-	-	55,872	101,999
Other Costs		-	-	-	-	-	-
Charitable Activities	4	945,694	-	-	74,225	1,025,149	1,045,550
Governance costs	5	40,716	-	-	-	40,716	33,229
Total resources expended		1,042,282	-	-	74,225	5,230	1,121,737
Net incoming/(outgoing) resources		(188,466)	-	-	(42,119)	9,961	(220,624)
<i>Other recognised gains and losses</i>							
Realised gains on investments		21,572	-	-	-	24,326	45,898
Unrealised gains/(losses) on investments		(18,053)	-	-	-	(20,358)	(38,411)
Realised gain on sale of Investment Property		-	-	-	-	-	111,637
		3,519	-	-	-	3,968	7,487
Net movement in funds before transfers		(184,947)	-	-	(42,119)	13,929	(7,420)
Transfers		25,000	-	-	-	(25,000)	-
Net Movement in funds after transfers		(159,947)	-	-	(42,119)	(11,071)	(7,420)
<u>RECONCILIATION OF FUNDS</u>							
Fund balances brought forward							
- at 1st October 2014		523,036	473,464	357,255	186,759	652,303	2,192,817
Fund balances carried forward		363,089	473,464	357,255	144,640	641,232	2,192,817
at 30th September 2015							

BALANCE SHEET

As at 30th September 2015
REGISTERED NUMBER : 626693

	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	7	300,764	299,920
Investment Properties	8	700,000	700,000
Investments	9	935,230	1,033,948
		<u>1,935,994</u>	<u>2,033,868</u>
Current assets			
Debtors	10	31,364	54,730
Cash at bank and in hand		137,048	199,187
		<u>168,412</u>	<u>253,917</u>
Creditors			
Amounts falling due within one year	11	124,726	94,968
Net current assets		<u>43,686</u>	<u>158,949</u>
Total Net Assets		<u>1,979,680</u>	<u>2,192,817</u>
Represented by:			
General funds	13	363,089	523,036
Revaluation Reserve	13	473,464	473,464
Designated funds	13	357,255	357,255
Total unrestricted funds		<u>1,193,808</u>	<u>1,353,755</u>
Restricted funds	13	144,640	186,759
Endowment funds	13	641,232	652,303
		<u>785,872</u>	<u>839,062</u>
		<u>1,979,680</u>	<u>2,192,817</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 Standard 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 22 March 2016 and signed on their behalf by:

David Kirk
Honorary Secretary

The notes on pages 10 – 19 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 governors 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 and endowment 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 fund is set out in the notes to the financial statements.

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

Assets are capitalised and depreciated on a straight line basis as follows:

Leasehold property and improvements 50 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) Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that the fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

h) Stock

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

i) 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

j) 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.

k)

The College remains committed to continue to provide rabbinic training and educational programmes of the highest level, taught by an outstanding and committed faculty. This will only be possible if we can secure an appropriate level of funding from our stakeholders, as well as attracting new sources of funding from individuals and trusts. In order to ensure the long term future of Leo Baeck College, the trustees are committed to exploring ways to increase the current level of funding whilst managing cash flow and keeping operating costs in check.

2. Investment Income and Interest

	2015	2014
	£	£
Interest on cash deposits	70	60
Dividends from investments	28,662	20,727
Total	28,732	20,787

3. Fundraising and Publicity

	Unrestricted	Restricted & Endowment	Total	Total
	£	£	£	£
Staff costs	44,551	-	44,551	79,544
Publicity, advertising and rabbinic recruitment	11,321	-	11,321	22,184
Annual Review	-	-	-	271
Total	55,872	-	55,872	101,999

4. Charitable Activities

	Unrestricted	Restricted & Endowment	Total	Total
	£	£	£	£
Tuition	605,253	47,667	652,920	649,332
Student Accommodation	9,457	-	9,457	10,939
Programmes, Jewish Lifelong Learning & Interfaith	245,881	-	245,881	241,924
Library and Sundries	85,113	31,778	116,891	143,355
Total	945,704	79,445	1,025,149	1,045,550

Note - Charitable Activities include the following allocation of Support Costs

5. Support Costs	Student					Library & Sundries	Governance Costs	Total 2015	Total 2014
	Tuition	Programmes	Accommodation						
	£	£	£	£	£	£	£	£	
Support Staff Costs	85,184	68,147	5,111	11,926	-	170,368	163,452		
Training Costs	78	62	5	11	-	156	341		
Rent	22,476	17,981	1,349	3,147	-	44,953	40,805		
Insurance	4,101	3,281	246	574	-	8,202	8,500		
Printing, postage, stationery	2,381	1,904	143	333	-	4,761	5,507		
Telephone	1,178	942	71	165	-	2,356	2,594		
Computer Costs	9,696	7,757	582	1,357	-	19,392	16,668		
Travelling	2,225	1,780	134	312	-	4,451	5,336		
Depreciation	3,511	2,809	211	492	-	7,023	7,023		
Accountancy, Legal & Audit Fees	-	-	-	-	40,716	40,716	33,229		
Other Costs	13,941	11,153	836	1,952	-	27,882	14,791		
Total	144,771	115,816	8,688	20,269	40,716	330,260	298,246		

6. Analysis of Total Staff Costs

Staff Costs:

	Total 2015	Total 2014
	£	£
Wages and salaries including visiting lecturers	512,755	501,348
Social security costs	37,208	40,840
Pension costs	26,138	28,391
Total	576,101	570,579

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

	2015	2014
£60,000-£70,000	2	2

In addition pension contributions of £3,000 (2014 £3,000), were made in respect of these employees

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

Academic	6	6
Support and Fund Raising	5	5
Library	1	1
Totals:	12	12

Salaries include £36,425 (2014, £41,709) 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

Cost	Leasehold Property and Improvements	Computer Equipment	Total
Cost at 1 October 2014	351,104	-	351,104
Additions		11,796	11,796
Cost at 30th September 2015	351,104	11,796	362,900
Depreciation			
At 1 October 2014	51,184	-	51,184
Charge for the year at 30th September 2015	7,020	3,932	10,952
	58,204	3,932	62,136
Net book value at 30th September 2015	292,900	7,864	300,764
Net book value at 30th September 2014	299,920	-	299,920

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.

Historic asset

The College owns a library housed at the Sternberg Centre. It comprises approximately 60,000 volumes, Rare Book collections 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. Investment Property - Revaluation

	Freehold Investment Property £
Valuation brought forward	700,000
Disposal	-
Cost or Valuation	700,000

On 29 February 2012 the property was valued by Gleny LLP, on an open market value for existing use basis.

On a historical cost basis this property would have been included at an original cost of £309,375

	Total 2015	Total 2014
9. Investments		
Market value	£	£
UK Fixed Interest	109,388	106,956
Overseas Fixed Interest	-	18,495
UK Equities	453,732	509,410
Overseas Equities	244,012	211,374
Investment Trusts	-	52,837
Property	85,216	75,967
Alternatives	26,209	22,327
UK Cash	16,673	36,582
Listed investments dealt with on a recognised stock exchange:	935,230	1,033,948
Investments representing over 5% in value:	£	£
Jupiter Unit Trust Managers UK Special Situations I Inc	68,098	90,564
Ishares FTSE 100 Ucits Etf (Inc) GBP	-	61,228
M&G Investment Man Recovery sterling I Inc	-	60,697
Artemis Fd mngrs income I Inc	52,359	62,814
Capita Finl Mngrs Lindsell Train UK Eqty inc	64,523	74,325
Threadneedle Inv UK Eqty Income ZNI	57,147	61,221
Findlay Park Funds Plc American USD Dis	-	59,798
Old Mutual Investment Mgmt Ltd	47,761	-
Quoted Investments	£	£
Market value at 1 October 2014	1,033,948	535,413
Acquisition cost	-	578,891
Purchases during the year	179,111	-
Disposals during the year	(280,796)	-
Net realised investment gains/(losses)	45,898	9,577
Net unrealised investment gains/(losses)	63,276	22,433
Transfer to cash at bank	(125,000)	(125,000)
Income reinvested	27,636	20,746
Interest Income reinvested	1,026	31
Investment Managers charges	(9,868)	(8,143)
	935,231	1,033,948
Historical cost as at 30 September	871,154	959,315
10. Debtors	2015	2014
	£	£
Trade debtors	23,114	42,287
Other debtors	8,250	12,443
	31,364	54,730
11. Creditors : Amounts falling due within one year	2015	2014
	£	£
Trade creditors	19,073	12,415
Other creditors	15,084	14,042
Accruals	64,869	16,643
Deferred Income	25,700	51,868
	124,726	94,968

12. Statement of funds

	Balance at 1 Oct 2014	Income	Expenditure	Gains / (losses)	Transfers	Balance at 30 Sept 2015
	£	£	£		£	£
General reserve	523,036	857,336	(1,042,283)		25,000	363,089
Designated funds						
Materials for the library	10,064	-	-	-	-	10,064
Manor House Repair Fund	46,789	-	-	-	-	46,789
Development Fund	180,269	-	-	-	-	180,269
Pamela (Leila) Littman Scholarship Fund	26,676	-	-	-	-	26,676
The Sidney Kingsley Trust	93,457	-	-	-	-	93,457
Total designated funds	357,255	-	-		-	357,255
Revaluation Reserve	473,464	-	-		-	473,464
Total unrestricted funds	1,353,755	857,336	(1,042,283)		25,000	1,193,808
Restricted funds						
Ascher bequest for lectureship in Talmud	27,329	-	(27,329)	-	-	-
Eastern European fund	16,731	-	(9,000)	-	-	7,731
Interfaith fund	7,326	-	-	-	-	7,326
Pamela and Anthony Littman book fund	13,528	-	(96)	-	-	13,432
Progressive Judaism Library fund	3,023	-	-	-	-	3,023
Rabbinic Students Support Fund	52	9,000	(9,000)	-	-	52
Windermere Avenue Appeal fund	275	-	-	-	-	275
Library Judaica fund	7,706	-	-	-	-	7,706
Lectureship in Jewish Thought and Ethics	59,753	-	-	-	-	59,753
Michael Goulston Education Foundation	13,969	-	-	-	-	13,969
Gertrud Stein-Liberal Jewish Synagogue Teaching Fund	19,723	-	-	-	-	19,723
Professor Ludwik Finkelstein Student Prize	200	-	-	-	-	200
European Union for Progressive Judaism	-	15,000	(15,000)	-	-	-
Lech Lecha	9,935	-	(9,000)	-	-	935
RIF Italianer Conference Fund	417	-	-	-	-	417
Koi Chai - 3rd Year Students Vocational Classes	625	-	-	-	-	625
Women for Reform Judaism Funds	6,167	6,306	(3,000)	-	-	9,473
Rothman Rabbinic Fund	-	1,800	(1,800)	-	-	-
Total restricted funds	186,759	32,106	(74,225)	-	-	144,640
Arthur and Sybil Simon bursary fund	16,880	-	-	-	-	16,880
Bechler Charitable Trust	99,600	-	-	-	-	99,600
Suminden Bursary Fund	535,823	15,191	(5,230)	3,968	(25,000)	524,752
Total endowment funds	652,303	15,191	(5,230)	3,968	(25,000)	641,232
Total funds	2,192,817	904,633	(1,121,738)	3,968	-	1,979,680

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 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 governors 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.

The Interfaith Fund is used to maintain 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. Interfaith projects are supported by The Spalding Trust and the Bridging Trust.

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 Rabbinic 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 Windermere Avenue Appeal Fund was raised to provide capital to purchase property close to the College. The remaining Fund is used for capital repairs and maintenance.

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

The Lectureship in Jewish Thought and Ethics was created with proceeds for the 50th Anniversary Gala Dinner to provide for visiting lecturers.

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 Gertrud Stein-Liberal Jewish Synagogue Teaching Fund was established in support of the academic programme.

The Professor Ludwik Finkelstein Student Prize commemorates his significant contribution to the academic life of College.

The European Union for Progressive Judaism (EUPJ) Fund is used for scholarships to students from European countries.

The Lech Lecha Fund provides continuing professional development opportunities for recently ordained rabbis.

The Ruth Ivor Foundation (RIF) provided funds for Italianer Conference funds – the conference took place in 2014.

The Kol Chai 3rd Year Students Vocational Classes Fund is to provide additional support for those students.

The Women for Reform Judaism Fund supports rabbinic student outside the US and UK with scholarships subject to conditions.

The Rothman Rabbinic Fund is to support the training of future religious and spiritual leadership of the community.

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.

The Suminden Bursary Fund known as 'The Suminden Fund' was created as an expendable endowment subject to certain guidelines to reflect the donors' love of Judaism and to further Jewish education for the benefit of future generations.

13.

	Tangible Fixed Assets and Investment Property	Investment Property	Investments/ Endowments	Net current assets	Total 2015
Unrestricted Funds	300,764	700,000	149,358	43,686	1,193,808
Restricted Funds	-	-	144,640	-	144,640
Endowment Funds	-	-	641,232	-	641,232
	300,764	700,000	935,230	43,686	1,979,680

14. Connected Charities

The Leo Baeck College has some governors 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 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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 opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'S) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2015, and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

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

24 March 2016