

Leo Baeck College

Europe's premier centre for Progressive Jewish learning

Trustees' Report

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for the year ended 30 September 2011

Legal and Administrative Information

Company Number 626693
Charity Number 209777

Board of Governors

Governors, Trustees and Directors

Alasdair Nisbet	Chairman, appointed 21 March 2011 (appointed as a Governor 21 October 2003)
Rabbi Dr Deborah Kahn-Harris	Principal, appointed 5 September 2011
Robert Graham	Honorary Treasurer, appointed 24 October 2001
Miriam Kramer	Chairman, appointed 1 January 2007, resigned 25 January 2011
Dr Amanda Grant	Vice-Chairman, appointed 26 May 2009, resigned 13 June 2011
David Leibling	Honorary Secretary, appointed 25 May 1995, resigned 21 March 2011
Rabbi Charlotte Baginsky	Nominee of Rabbinic Conference, appointed 1 November 2010
Rabbi Lisa Barrett	Nominee of Students' Society, appointed 1 November 2010, resigned 5 September 2011
Dr Annette Boeckler	Nominee of Academic Board, appointed 5 November 2007, resigned 21 March 2011
Rabbi Shoshana Boyd-Gelfand	Movement for Reform Judaism, Executive Director, appointed 29 April 2008, resigned 25 January 2011
Kate Briggs	Nominee of Students' Society, appointed 1 November 2010, resigned 5 September 2011
Noeleen Cohen	Movement for Reform Judaism board representative, appointed 12 December 2011
Michael Francies	Governor, appointed 19 October 2009
Lucian Hudson	Chairman, Liberal Judaism, appointed 19 October 2009
Ian Karet	Governor, appointed 19 October 2009
David Kirk	Governor, appointed 13 June 2011
Dee Lehane	Governor, appointed 19 October 2009
Rabbi Josh Levy	Nominee of Assembly of Rabbis, appointed 5 September 2011
Rhona Lesner	Non-teaching staff representative, appointed 21 March 2011
Rabbi Dr Charles Middleburgh	Rabbinic faculty representative, appointed 21 March 2011
Stephen Moss CBE	Chairman, Movement for Reform Judaism, appointed 7 July 2008, resigned 12 December 2011
Lea Mühlstein	Student representative, appointed 31 January 2012
Jo-Ann Myers	Education faculty representative, appointed 21 March 2011
Ben Rich	Movement for Reform Judaism, Executive Director, appointed 21 March 2011
Rabbi Danny Rich	Liberal Judaism Chief Executive, appointed 7 February 2005
Michael Romain	Governor, appointed 19 October 2009
Rabbi Professor Marc Saperstein	Principal, appointed 1 July 2006, resigned 13 June 2011
Rabbi Sybil Sheridan	Nominee of Assembly of Rabbis, appointed 11 February 2008, resigned 5 September 2011
Rabbi Dr Michael Shire	Vice Principal, appointed 23 October 2001, resigned 13 June 2011
Benji Stanley	Student representative, appointed 31 January 2012

Senior Staff

Rabbi Dr Deborah Kahn-Harris	Principal
Stephen Ross MSc FCII DChA	Executive Director and Secretary to the board
Dr Annette Boeckler	Librarian
Irit Burkeman MA	Head of Student Services
Rhona Lesner BA (Hons)	Head of HR and Support Services
Rabbi Dr Charles Middleburgh	Director of Jewish Studies
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

Company Secretary

Stephen Ross MSc FCII DChA

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 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, who are also the Trustees of the Charity have overall responsibility for its management and control, although this is effectively delegated to the professional staff. The work of implementing the policies is carried out by the Board of Governors in conjunction with the charity's staff.

Rabbi Professor Marc Saperstein was appointed as Principal in July 2006 and retired in July 2011. 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 their role by the Senior Management. 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.

Whilst 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 etc and follows up with a tour of the campus and introduction to key staff, students and faculty members.

Following recommendations from an external governance review, an EGM was held on 1 November 2010 to amend the articles to allow the appointment of additional Governors, granting voting representation from students, faculty and staff and removing the category of non-voting governors. The opportunity was also taken to update the Memorandum and Articles generally. These changes took effect from the AGM on 21 March 2011.

Occasional training for governors takes place 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.

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 liturgy, history, literature, theology, philosophy, education and culture, both religious and secular. The College sees itself as the beating heart of Progressive Judaism in the UK and Europe.

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 governors review our aims and activities to ensure 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, 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 and terms and conditions apply. The College policy is to try 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 academically accredited rabbinic ordination, a Masters Degree in Jewish Education and Professional Development diplomas.

The Governors considered it important to undertake a strategic review of all College activities with the purpose of "Finding a Common Vision". The College has therefore sought input from all our key stakeholders, including the Movement for Reform Judaism and Liberal Judaism, UJIA, rabbis and alumni, rabbinic bodies (Conference/Assembly), synagogues, students and patrons.

Four working groups focusing on different aspects of the College were established: Rabbinics, Academic Resources, Department of Jewish Education (DJE), and Finance & Resources. Each group was chaired by a member of the Senior Management Team and included members of the Board of Governors and all the other stakeholders. The working groups met several times and input was gathered from other key users. The next stage was consultation to allow stakeholders to review the Draft Strategic Review and provide comments. Further work was postponed pending the appointment of a new Principal following the retirement of Rabbi Professor Marc Saperstein.

The initial findings were presented to the Governors at a special board meeting held in January 2011 in the form of an Executive Summary of the Draft Strategic Review together with the draft reports from all the sub groups.

Though still pending wider consultation and subject to initiatives from the new principal such as considering alternative validation and accreditation facilities, the Review identified the following main Strategic Objectives:

- To train 3-4 Rabbis per annum on average for UK affiliated synagogues, train an additional 3-4 overseas rabbis per annum on average, benefitting their communities and providing diversity
- Evolve the rabbinic programme to reflect the needs of our community and the opportunities of modern technology
- To drive forward a vision for Progressive Jewish learning throughout the Progressive Movements
- Develop a programme of Higher Jewish Studies for lay leaders related to the Rabbinic Course and academic research centre
- To provide a professionally resourced Specialist Judaica and Jewish Education library for students, faculty, researchers, alumni and community individuals
- Work towards the best solution for relocating the library as part of the site development
- To build a partnership of all Progressive Jewish Education providers in order to plan and implement strategic direction for Progressive Jewish Education
- Undertake a cost analysis of the College's contribution to Progressive Jewish Education with new possibilities for fundraising initiatives and alternative revenue streams
- Harness the power of modern communication technology throughout the College
- Ensure smooth transition to new leadership (Chairman and Principal) and new governance arrangements
- Work towards agreement with the Movements for a funding formula including the basis of providing student scholarships
- Break-even within the next 3 - 5 years with a combination of savings from site service charges, senior management cost and generating additional income

During the year we are undertaking refurbishment of the Manor House where many of our facilities are located and we are seeking a loan to smooth out the cash flow requirements of that project.

Results of 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 were £271,974 (2010, £20,051) including a deficit of £31,831 for restricted projects, (2010, deficit £62,454).

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. In October 2010 to be more cost effective, funds were transferred into the Hambros Micro Portfolio Capital Growth Fund which is approximately divided between equities and bonds on a 80%:20% basis and historically gave a better return.

The Finance and Resources Committee comprises up to five members and is chaired by the Honorary Treasurer 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 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 £432,748 at year end (2010, £467,447).

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 governors for these purposes.

Reserves

The level of unrestricted reserves was £553,092. Of this, £303,883 is represented by long leasehold and freehold property and the remainder is held as working capital and cash. Although there is a budget deficit projected for the current year ended 30 September 2012 the trustees, as part of the current Strategic Review 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 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 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.

Governance and internal control

Company and charity law requires the governors 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 governors 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 governors 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 30 January 2012 and signed on its behalf by:



Alasdair Nisbet, Chairman

Treasurer's Report

I am pleased to present my Treasurer's Report for the year to 30 September 2011.

The College made a net operating deficit of £271,974 in the year to 30 September 2011 which represented an increase over the equivalent net deficit of £20,051 achieved 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 a decrease of £284,529 as compared with the decrease of £12,041 last year.

The College's income decreased by £92,627 (or 7%) during the year, from £1,378,530 to £1,285,903 mainly as a result of fewer students and reduced income from programmes compared with the previous year. Total expenditure increased from £1,398,581 to £1,557,877, mainly due to the cost of charitable activities and certain exceptional payroll costs.

The College realised a £1,490 profit on its investment portfolio, compared with a £8,103 realised profit in 2010. Unrealised loss in the College totalled £14,045 as compared with the loss of £93 produced last year, reflecting the effect of variations in the Stock Market and investment values over the past year.

It is worth highlighting the fact that, notwithstanding last year's deficit and the anticipated deficit for the current financial year, the College continues to enjoy a considerable degree of financial stability that is provided by its strong asset base and long-term donor commitments.

We have net Balance Sheet assets totalling almost £1m. In addition, the long leasehold interest in the Sternberg Centre and two freehold houses are stated at cost less depreciation, although their market value significantly exceeds this. The houses produce a steady rental income. The library contents including collections of rare books are insured for over £2m. The College also holds details of substantial legacy pledges and over 30 four-year annual commitments from Patrons of between £2,000 and £10,000. Encouragingly, in the current financial year two Patrons increased their pledges to £20,000pa.

The College also secured a £½m. donation which we regard as the first step towards building an endowment fund to produce a reliable income for the future.

During the year we are undertaking a refurbishment of the Manor House where many of our facilities are located and we are seeking a loan to manage the cash flow requirements of that project.

It is appropriate again to acknowledge the invaluable assistance 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 is planning 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, efficient organisation, success in fundraising and for the support and encouragement they have given to all the Governors over the past year.



Robert Graham
Honorary Treasurer
30 January 2012

Leo Baeck College

Accounts

Year to 30 September 2011

Statement of Financial Activities

Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Designated Funds	Total Fund 2010/11	Total Fund 2009/10
	£	£	£	£	£	£
Income and Expenditure Account:						
<u>INCOMING RESOURCES</u>						
<u>Incoming resources from generated funds</u>						
<i>Voluntary income</i>						
	355,344				355,344	371,352
Movement for Reform Judaism					157,104	161,150
Liberal Judaism	157,104				70,000	77,853
UJIA	70,000				150,291	219,874
Other donations and grants	76,464	73,827				
<i>Activities for generating funds</i>						
	182,288				182,288	162,890
Income from patrons and friends					1,095	3,347
Investment income and interest	2	762	250	83		
	841,962	74,077	83		916,122	996,466
<u>Incoming resources from charitable activities</u>						
	186,689				186,689	140,972
Tuition fees					34,730	19,908
Student and other accommodation fees	34,730				102,530	173,915
Income from programmes	102,530				45,832	47,269
Sundry sales income	45,832					
Total Incoming Resources	1,211,743	74,077	83		1,285,903	1,378,530
<u>RESOURCES EXPENDED</u>						
<i>Cost of Generating Funds</i>						
	137,065				137,065	134,939
Fundraising and publicity	3	22,338			22,338	32,634
Other Costs						
Charitable Activities	4	1,156,475	105,908	(869)	77,226	1,338,740
Governance costs	5	59,734			59,734	46,149
Total resources expended	1,375,612	105,908	(869)	77,226	1,557,877	1,398,581
Net incoming/(outgoing) resources before transfers	(163,869)	(31,831)	952	(77,226)	(271,974)	(20,051)
Transfers	285,000			(285,000)		
Net incoming/(outgoing) resources before other recognised gains and losses	121,131	(31,831)	952	(362,226)	(271,974)	(20,051)
<i>Other recognised gains and losses</i>						
	1,037	340	113		1,490	8,103
Realised gains on investments					(14,045)	(93)
Unrealised losses on investments	(9,772)	(3,208)	(1,065)			
Net movement in funds	112,396	(34,699)		(362,226)	(284,529)	(12,041)
<u>RECONCILIATION OF FUNDS</u>						
Fund balances brought forward						
- at 1st October 2010	(109,243)	350,967	116,480	912,165	1,270,369	1,282,410
Fund balances carried forward						
at 30th September 2011	3,153	316,268	116,480	549,939	985,840	1,270,369

Balance Sheet

As at 30 September 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible fixed assets	7	522,227	536,602
Investments	8	206,982	149,328
		<u>729,209</u>	<u>685,930</u>
Current assets			
Debtors	9	65,816	143,397
Cash at bank and in hand		259,461	531,267
		<u>325,277</u>	<u>674,664</u>
Creditors			
Amounts falling due within one year	10	68,646	90,225
Net current assets		<u>256,631</u>	<u>584,439</u>
Total assets less current liabilities		<u>985,840</u>	<u>1,270,369</u>
Represented by:			
General funds	11	3,153	(109,243)
Designated funds	11	549,939	912,165
Total unrestricted funds		<u>553,092</u>	<u>802,922</u>
Restricted funds	11	316,268	350,967
Endowment funds	11	116,480	116,480
		<u>432,748</u>	<u>467,447</u>
		<u>985,840</u>	<u>1,270,369</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 30 January 2012 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 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 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.

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

	2011	2010
	£	£
Interest on cash deposits	351	1,077
Dividends from investments	1	2,270
Interest from Bonds	743	
Total	1,095	3,347

3. Fundraising and Publicity

	Unrestricted	Restricted & Endowment	Total 2011	Total 2010
	£	£	£	£
Staff costs	99,357		99,357	90,955
Publicity, advertising and rabbinic recruitment	32,306		32,306	36,264
Annual Review	5,402		5,402	7,720
Total	137,065		137,065	134,939

4. Charitable Activities

	Unrestricted	Restricted & Endowment	Total 2011	Total 2010
	£	£	£	£
Tuition	688,020	53,533	741,553	634,584
Student Accommodation	13,378		13,378	12,443
Programmes, Jewish Lifelong Learning & Interfaith	432,787	45,937	478,724	438,222
Library and Sundries	98,647	6,438	105,085	99,610
Total	1,232,832	105,908	1,338,740	1,184,859

Note - Charitable Activities include the following allocation of Support Costs

5. Support Costs	Student					Governance Costs	Total 2011	Total 2010
	Tuition	Programmes	Accommodation	Library & Sundries				
	£	£	£	£	£	£	£	£
Support Staff Costs	101,941	81,552	6,116	14,272		203,881	208,686	
Training Costs	1,074	859	64	150		2,147	3,547	
Rent	25,412	20,330	1,525	3,558		50,825	48,238	
Insurance	1,753	1,402	105	245		3,505	3,110	
Printing, postage, stationery	4,798	3,838	288	672		9,596	1,428	
Telephone	1,157	925	69	162		2,313	1,712	
Computer Costs	7,688	6,150	461	1,076		15,375	12,405	
Travelling	1,299	1,039	78	182		2,598	4,147	
Depreciation	7,188	5,750	431	1,006		14,375	19,110	
Accountancy, Legal & Audit Fees					59,734	59,734	46,149	
Other Costs	8,901	7,121	534	1,246		17,802	9,775	
Total	161,211	128,966	9,671	22,569	59,734	382,151	358,307	

6. Analysis of Total Staff Costs	Total 2011	Total 2010
Staff Costs:		
	£	£
Wages and salaries including visiting lecturers	621,660	636,216
Social security costs	53,496	53,434
Pension costs	31,146	31,605
Total	706,302	721,255

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

	2011	2010
£80,000-£90,000	1	1
£60,000-£70,000	1	1

In addition pension contributions of £9,765 (2010 11,112) were made in respect of these employees

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

Academic	9	8
Support and Fund Raising	6	6
Library	2	2
Totals:	17	16

Salaries include £34,379, (2009, £26,639) 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 2011
Cost				
Cost at 1 October 2010 and at 30 Sept 2011	618,749	100,000	4,241	722,990
Depreciation				
At 1 October 2010	148,147	34,000	4,241	186,388
Charge for the year	12,375	2,000		14,375
at 30th September 2011	160,522	36,000	4,241	200,763
Net book value at 30th September 2011	458,227	64,000		522,227
<i>Net book value at 30th September 2010</i>	<i>470,602</i>	<i>66,000</i>		<i>536,602</i>

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 governors the market value considerably exceeds this.

Historic asset

The College owns a library housed at the Sternberg Centre. It comprises approximately 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

	2011	2010
	£	£
Listed investments dealt with on a recognised stock exchange:	206,982	149,328

Investments representing over 5% in value:

	%	%
The Global Growth Portfolio	77	81

Quoted Investments

	£	£
Market value at 1 October 2010	149,328	165,904
Acquisition cost	202,181	141,875
Disposals during the year	(131,972)	(166,461)
Net realised investment gains/(losses)	1,490	8,103
Net unrealised investment gains/(losses)	(14,045)	(93)
Market Value at 30 September 2011	206,982	149,328
Historical cost as at 30 September 2011	149,328	151,461

9. Debtors	2011	2010
	£	£
Trade debtors	40,668	118,751
Other debtors	25,148	24,646
	65,816	143,397

10. Creditors	2010	2010
	£	£
Trade creditors	17,553	27,057
Accruals	43,043	33,841
Deferred Income	8,050	29,327
	68,646	90,225

11. Statement of funds

	Balance at 1 Oct 2010	Income	Expenditure	Transfers	Balance at 30 Sept 2011
	£	£	£	£	£
General reserve	(109,243)	1,203,007	(1,375,611)	285,000	3,153
Designated funds					
Materials for the library	14,314		(4,250)		10,064
Manor House Repair Fund	46,789				46,789
Development Fund	540,269			(285,000)	255,269
Pamela (Leila) Littman Scholarship Fund	65,793		(15,800)		49,993
The Sidney Kingsley Trust	245,000		(57,176)		187,824
Total designated funds	912,165		(77,226)		549,939
Total unrestricted funds	802,922	1,203,007	(1,452,837)		553,092
Restricted funds					
Ascher bequest for lectureship in Talmud	188,324	(1,405)	(40,824)		146,095
Eastern European Fund		17,400	(17,400)		
Interfaith Fund	7,529	10,169	(7,035)		10,663
Pamela and Anthony Littman book Fund	15,362	(115)	(635)		14,612
Progressive Judaism Library Fund	2,995	(22)			2,973
Rabbinic Students Support Fund	484	8,996	(8,987)		493
Windermere Avenue Appeal fund	14,742	(109)	(3,472)		11,161
Library Judaica Fund	7,635	(57)			7,578
NLPS Trust for Progressive Judaism		10,500	(10,500)		
Rabbi Professor Magonet Scholarship Fund	5,742	(43)	(5,699)		
The Rothschild Foundation Europe		4,250			4,250
Van der Zyl Statue Fund	4,209	(31)			4,178
Lectureship in Jewish Thought and Ethics	59,205	(442)			58,763
Michael Goulston Education Foundation	13,840	(103)			13,737
The Community Development Foundation Grant Fund	5,900	(44)	(5,000)		856
Gertrud Stein-Liberal Jewish Synagogue Teaching Fund	25,000	(186)	(500)		24,314
Library Conservation & Infrastructure Project		10,000	(5,856)		4,144
Professor Ludwik Finkelstein Student Prize		100			100
Lech Lecha Fund		12,351			12,351
Total restricted funds	350,967	71,209	(105,908)		316,268
Endowment funds					
Arthur and Sybil Simon bursary fund	16,880	(126)	126		16,880
Bechler Charitable Trust	99,600	(743)	743		99,600
Total endowment funds	116,480	(869)	869		116,480
Total funds	1,270,369	1,273,348	(1,557,877)		985,840

There are total investment management fees of £1,174 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 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 two houses 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 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; it is now fully expended.

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

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

The Rothschild Foundation Europe fund is for cataloguing and conserving a collection of Polish books.

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 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 Community Development Foundation Grant Fund was received from their "Faiths in Action" programme for an interfaith project.

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

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	Total 2011
Total restricted and endowment funds	218,344	86,540	127,864	432,748
Total unrestricted funds	303,883	120,442	128,767	553,092
	522,227	206,982	256,631	985,840

13. 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 2011 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 governors and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 6 and 7, the trustees (who are also the directors of the 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 2011, 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

Date: 30 January 2012