Leo Baeck College
AT THE HEART OF PROGRESSIVE JUDAISM

Trustees' Annual Report

for the year ended 30th September 2018

liberal judaism

REFORM JUDAISM

WORLD UNION FOR PROGRESSIVE JUDAISM

EUROPEAN UNION FOR PROGRESSIVE JUDAISM

LEO BAECK COLLEGE

Trustees' Annual Report and Financial Statements for the year ended 30th September 2018

CONTENTS

Legal and Administrative Information 1
Board of Governors, ... 2
Trustees and Directors 2
Board Student Representatives 2
Board Staff Representatives 2
Senior Staff 2
Report of the Board of Governors 3
1. Nature of Governing Document 3
2. Governance and Organisation 3
3. Auditors 4
4. Activities, Achievements and Future Plans 4
5. Plans for the Coming Year 2018-19 11
6. Results for the Year 11
7. Governor Responsibilities Statement 13
8. Disclosure of Information to Auditors 14
Statement of Financial Activities 15
Balance Sheet 16
Statement of Cash Flow 17
Notes to the Accounts 18
Independent Auditor's Report to the Members 27
Our Class of 2018 31

Legal and Administrative Information

Registered Office and Operational Addresses

Leo Baeck College

The Sternberg Centre for Judaism
80 East End Road
London
N3 2SY
Tel: +44(0)20 8349 5600
Email: info@lbc.ac.uk
Website: www.lbc.ac.uk
UK Company Registration No: 626693
Registered Charity No: 209777 (England & Wales)

American Friends of Leo Baeck College

C/o Klamp & Associates P.C.
2000 P Street NW
Suite 708
Washington DC 20036
USA
501 (c)(3) non-profit organisation
EIN: 26-3108411

Independent Auditors

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Principal Bankers

National Westminster Bank
48 Ballards Lane
London
N3 2QZ

Principal Investment Advisors

Investec Wealth & Investment Ltd
2 Gresham Street
London
EC2V 7QN

Solicitors

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

Board of Governors, Trustees and Directors

Chair	Jill Todd	Appointed 16th May 2018 Retired 27th February 2019
Vice-Chair Acting Chair	Dr Stephen Herman	Appointed 16th May 2018 As of 27th February 2019
Honorary Secretary	Hannah Jacobs	
Honorary Treasurer	Mike Frankl	
	Anton Fishman	Appointed 16th May 2018
Rabbinic Conference Rep	Rabbi Aaron Goldstein	
Assembly of Reform Rabbis Rep	Rabbi Dr Michael Hilton	
Principal	Rabbi Dr Deborah Kahn-Harris	
Liberal Judaism Chief Executive	Rabbi Danny Rich	
	Rabbi Dr Thomas Salamon	
	David Hockman	Retired 16th May 2018
Chair of Reform Judaism	Geoffrey Marx	Retired 16th May 2018
Chair of Liberal Judaism	Simon Benscher	Retired 16th May 2018

Board Student Representatives

2017/18 Academic Year	Deborah Blausten
2017/18 Academic Year	Elliott Karstadt

Board Staff Representatives

Dean	Rabbi Dr Charles Middleburgh	
Director of Jewish Education	Dr Jo-Ann Myers	
Fundraising Manager	Marc Green	Resigned July 2018

Senior Staff

Principal	Rabbi Dr Deborah Kahn-Harris
Dean	Rabbi Dr Charles Middleburgh
Senior Librarian	Cassy Sachar MA
Fundraising	Juliet Moss
Head of HR & Support Services	Rhona Lesner BA (Hons)
Director of Jewish Education	Dr Jo-Ann Myers
Head of Academic Services	Gaby Ruppin MSc

Report of the Board of Governors

1. Nature of Governing Document

Leo Baeck College (LBC) 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 24th April 1959, and have been amended by special resolutions since then, the latest being 1st November 2010.

The Memorandum and Articles of Association allow the charity (Reg Number 209777) 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.

2. 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 LBC 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 LBC serves by identifying any skill shortage created by the departing Governors and targeting suitably qualified individuals to approach. Induction is provided to new Governors. Governors are provided with a pack comprising the governing documents, financial information, organisational charts, recent minutes and given a tour of the campus including an 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.

Occasional training for Governors takes place in the form of a development session to examine particular areas of LBC's activity or more generally to review future strategy. These sessions are typically facilitated externally.

3. Auditors

Saffery Champness LLP were appointed auditors at the Annual General Meeting.

4. Activities, Achievements and Future Plans

LBC is a pre-eminent institution of Jewish scholarship and learning that is the heart of the intellectual and spiritual life of the Progressive Jewish community. LBC combines inspirational, high calibre teaching with a commitment to developing rabbis, other professionals and lay leaders who will build sustainable, accessible and thriving Progressive Jewish communities.

Each year the Governors review the aims and activities of LBC 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 LBC brings to the wider community.

The objectives of LBC 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 LBC are supported by:

- A unique obligation to nurturing its students to ensure their personal, academic, vocational, and spiritual development.
- A dedication to developing rabbis who will build vibrant and viable communities whilst being sensitive to the constantly changing needs of contemporary Jewish life and livelihoods.
- A dedication 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 the next generation.
- A commitment to training rabbis and Jewish educators who will ensure a deep understanding and appreciation of authentic, egalitarian, accessible Judaism within communities.
- A commitment to creating a vibrant learning and teaching environment, which is imbued with a clear sense of equality, openness to critical thinking, and a devotion to God and Torah.
- A pledge to continuing to develop a faculty who are able to nurture the next generation of Jewish leaders through academic excellence, intellectual rigour, and inspirational pedagogy.
- A commitment to working in collaborative partnerships with key stakeholder movements and funders for the betterment of Progressive Judaism, its constituent communities, and its future.
- A determination to preserving and increasing the accessibility to the Leo Baeck College library, one of Europe's leading Jewish libraries, which is an

irreplaceable resource for scholars, rabbis and students who wish to access these sacred books.

- An ambition to providing a prestigious institute of adult Progressive Jewish learning beyond the synagogue.
- A vision to be the driving force, source of inspiration, and beating heart of the future of the Progressive Jewish community, which is firmly positioned in a sustainable centre of excellence and which trains skilled, passionate, and dedicated leaders who are inspired by and are inspiring about Judaism.

Highlights of 2017/2018 Academic Year

In July 2018 LBC ordained two new rabbis,
Rabbi Nathan Godleman and
Rabbi Roberta Harris-Eckstein

Highlights of 2017/18 Academic Year Continued

Two new Librarians were appointed

Cassy Sachar
Senior Librarian

Zuzanna Krzemien
Assistant Librarian

Two French students continued working on the 1st year of their training in Paris and one French student joined LBC in London in his 2nd year of training

During March 2018
Rabbi Dr Deborah Kahn-Harris visited Bosnia-Herzegovina with other female clergy, faith leaders, and women working in the charitable sector. The trip was organised by the charity, Remembering Srebrenica

In December 2017
Rabbi Dr Deborah Kahn-Harris attended the
Union of Reform Judaism biennial conference in Boston

Professor Michael Berkowitz spoke at the Van der Zyl lecture in October 2017

Highlights of 2017/18 Academic Year Continued

Rabbi Dr Deborah Kahn-Harris sat on The Woolf Institute Panel on Theological Training in February 2018, alongside Dr Atif Imtiaz of the Cambridge Muslim College and Revd Neil Thorogood of Westminster College, speaking about clerical training in their tradition and at their institutions.

In January 2018 LBC hosted the inaugural Clergy Training for Community Organising, created by the Citizens UK, Reform Judaism, and the Contextual Theology Centre.
Rabbi Dr Deborah Kahn-Harris attended.

Rev. Dr Benjamin Williams joined as Lecturer in Biblical and Rabbinic Studies.

Rabbi Dr Deborah Kahn-Harris attended the 50th Jewish-Christian Bible Week in Haus Ohrbeck, Germany and delivered the Jewish keynote lecture.

Highlights of Our 2017/18 Academic Year Continued

The LBC Admissions Board interviewed candidates and agreed to admit two new students on the Rabbinic Programme for the 2018-19 academic year, with two more deferred until the 2019-20 academic year.

In April 2018

Rabbi Dr Charles Middleburgh attended the European Union for Progressive Judaism biennial conference in Prague.

During the 2017-18 academic year 21 students trained for the rabbinate at LBC and four students studied on the MA in Jewish Educational Leadership.

LBC remains the only institution in the UK to offer academically accredited rabbinic ordination.

Highlights of 2017/18 Academic Year Continued

Most students are eligible for various scholarships in support of their studies. The majority of 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 are the primary providers of scholarships and directly sponsor individual students with scholarships subject to their terms and conditions.

The curricula for the rabbinic and education students are now fully established, which has helped to ensure that the educators and rabbis of the future come out better qualified, more competent and more confident in core skills, and more able to meet the needs of Progressive Jewish communities in the UK and abroad. Almost all (over 95%) of Reform and Liberal communities in the UK are served by graduates of LBC.

LBC is focused on continuing to provide the best training for rabbis and Jewish educators both in the UK and in Europe, providing a range of courses that are validated by Middlesex University and offering a variety of learning opportunities for students from the UK and overseas.

The MA in Jewish Educational Leadership is uniquely offered through blended learning, making it accessible to students worldwide. Its international and comparative orientation distinguishes it from other MAs in Jewish Education in the UK.

The College's adult learning programme, the *Leo Baeck Lehrhaus,* now in its fifth year, continues to grow and prosper with more students attending the broad range of courses that are on offer. Live online courses are offered to enable even more people to study from the comfort of their own homes be it Tel Aviv, Birmingham or Paris.

The LBC's Hebrew language curriculum, *Eizeh Kef,* is now being used in over 20 communities in the UK and abroad. Full training and on-going support is given to all users.

LBC has successfully used the online platform Adobe Connect for the last five years to enable students to participate in classes when they are off-site. Its usage has proven invaluable for courses using blended methods and enables students who cannot attend College to participate in their classes when such an occasion arises.

Funding for the LBC comes in the first instance from the two movement stakeholders, Reform Judaism (RJ) and Liberal Judaism (LJ). The European Union for Progressive Judaism (EUPJ) provides two bursaries for European students. In addition, LBC is supported by committed Patrons and Friends who generously provide the institution with financial support and advocacy.

As well as the movements, the alumni and the communities and organisations that they serve, the students and the committed faculty are key stakeholders in the work done by the College. They contribute significantly to the on-going sustainability of LBC. The College aims to continue to reach out and ensure that students and faculty spend as much time as possible within communities, in the delivery of prayer and learning in synagogues and at other community events.

Highlights of 2017/18 Academic Year Continued

LBC is involved in continuing discussions with its 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 LBC to continue to train rabbis and Jewish educators who fully understand the Progressive Jewish communities in which they work.

Since September 2015, Jewish Studies courses have been validated by Middlesex University. Validation of the Jewish education courses followed in September 2016. Rabbinic students embark on a five year programme which results in *Smicha* (ordination). The College therefore needs to ensure a sustainable funding programme to support each new intake of students over the five-year cycle of study.

LBC is reviewed by the Quality Assurance Agency for Higher Education (QAA). The QAA is an independent body that monitors and advises on standards and quality in UK Higher Education. It conducts quality assessment reviews and develops reference points and guidance for providers. Every four years the QAA carries out a detailed review of Alternate providers in Higher Education. LBC was subject to a review in November 2016.The QAA found that LBC met UK expectations in all aspects, particularly "the maintenance of the academic standard, the quality of student learning opportunities, the quality of the information provided about the College and the enhancement of student learning opportunities". This was followed up in November 2017 by an Annual Monitoring Visit by the QAA in which LBC was judged to be making commendable progress which is the highest outcome awarded by the QAA.

Fundraising efforts have been focused on building on the already firm base of Patrons and increasing the number of Friends who donate regular, smaller amounts to LBC. Applications continue to be submitted, with some degree of success, to foundations and grant giving organisations.

Many academic institutions have an Endowment Fund to underpin and supplement annual fundraising and LBC started its own in 2012, with a generous donation from The Suminden Bursary Fund. This donation provides a solid base for the future and is a key fundraising objective. The College also aim to create endowment funds to secure faculty positions in the future.

A new lighting system was installed in the Manor House Drawing Room in April 2018 further to funding from the Pacey Brynberg Trust.

During 2016, the 'American Friends of Leo Baeck College' (501c 3) recognition as a non-profit organisation was reinstated allowing LBC to actively fundraise tax efficiently in the USA. Ongoing efforts are now being made to encourage Leo Baeck College alumni in America to raise funds on its behalf.

Highlights of 2017/18 Academic Year Continued

LBC is situated at the Sternberg Centre for Judaism and along with Reform Judaism, occupy the Grade II* listed Manor House building. The library is central to the educational activity of LBC and it is situated in the basement of the Manor House. Due to the deteriorating condition of the building, it is no longer able to comfortably house LBC's growing number of books, collections, and publications. Plans are underway to research and execute the feasibility of rebuilding and expanding the space that the Library occupies and how it is presented to the wider community.

In support of this objective, the Governors continue to explore the opportunity to take over the unused space that was previously the New North London Synagogue to develop a new library. The number and complexity of planning issues on the Sternberg Centre site have been challenging, delaying 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 a project that will require a sustained fundraising effort.

5. Plans for the Coming Year 2018-19

1. Leo Baeck will apply to register with the Office for Students following the implementation of the Higher Education and Research Act 2017.
2. The ordination of four rabbinic students is scheduled to take place in July 2019 at West London Synagogue.
3. LBC will host a 'viva' day to celebrate the research undertaken by the MA in Applied Rabbinic Theology students to which faculty, alumni and Patrons will be invited.
4. Through the Michael Goulston Foundation, *Eizeh Kef* will be going interactive and many games and activities to support the programme will be made available on-line thus making *Eizeh Kef* global.
5. The Quinquennial Review of Vocational Training will complete its work and make recommendations to the Academic Board.
6. The College will be reviewing its awards in preparation for revalidation by Middlesex University, which must be completed before the end of December 2020.
7. Pupils on the Beit Midrash programme at JCoSS, in years 7 and 8, will be coming to LBC in February and May for study days with LBC faculty.

6. Results for the Year

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities': Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2015).

Results for the Year Continued

LBC showed an operating profit of £3,440 in the year to 30 September 2018, compared to an operating loss of £111,459 in the previous year. In December 2017 LBC sold its investment property and transferred the proceeds to an additional endowment portfolio.

After allowing for unrealised and realised gains on investments and the cost of sale of the investment property funds increased by £30,830 compared to an increase of £251,098 in the previous year.

The Board of Governors and Senior Management Team (SMT) continue to closely monitor expenditure and overhead costs in an on-going commitment to achieving a balanced budget.

6.1 Plan for 2018-19

The Budget for the year has been set and shows a small surplus as the College reflects increased revenue from recently securing increased income in the form of grant commitments.

6.2 Investment Policy

The College's investment manager is Investec Wealth & Investment Limited. The Finance Report on page 19 deals with the performance of the investment 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 any time. There is a target 'balanced' return between income and capital with a 'medium' risk criterion.

The Finance and Resources Committee (FRC) 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 LBC, it formulates and monitors the investment strategy and appoints fund managers to implement their recommendations. It meets at least three times a year.

6.3 Pay Policy for Senior Staff

The pay of senior staff is reviewed annually and the Governors benchmark against pay levels in other similar organisations.

6.4 Designated Funds

Designated funds totalling £20,000 (2017: £357,255) form part of the general funds. The FRC reviewed the designated funds during the year and agreed that the majority of these funds could be undesignated and released back to general funds. These funds have been designated by the Governors for particular purposes and are separately identified in the notes to the accounts. The Governors may remove any particular designation and returned them to general funds if required.

Results for the Year Continued

6.5 Restricted and Endowment Funds

Restricted and endowment funds totalled £915,837 at year end (2017: £916,696). Although no formal legal restrictions have been placed on the funds now classified as 'general', a number of the donors or their relatives had previously entered into discussion with LBC as to the use of these funds. To respect the intentions of these donors, a number of the funds have been designated by the Governors for these purposes.

6.6 Reserves

Following the sale of the investment property, the liquid assets held in the General Fund have increased considerably. The Trustees have decided to take the opportunity to review the optimum level of reserves in light of their medium and longer term plans and intend to fully disclose their policy in the next set of financial statements.

6.7 Risk Management

The Governors are responsible for the management of risks faced by the College. Detailed considerations of risk are delegated to the Finance and Resources Committee (FRC), assisted by senior 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 LBC's risk management processes is undertaken periodically.

The key controls used by LBC 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 LBC, the members of the Governors, 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. Attention has been focused on non-financial risks arising from fire, health and disaster recovery. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and providing regular awareness training for staff working in these operational areas.

7. Governor Responsibilities Statement

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:

Governor Responsibilities Statement Continued

- selected suitable accounting policies and then applied them consistently
- observed the methods and principles in the Charities SORP
- 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
- 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.

8. 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;

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

On behalf of the Board of Governors, I would like to thank Rabbi Dr Deborah Kahn-Harris, the professional and dedicated staff team, as well as the outstanding faculty, for their continued commitment to the College and its students.

The Board of Governors continues to focus on ensuring the sustainability of the institution and provides managerial and strategic support to the professional team. I would like to thank each member of them for their support and guidance this past year.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The report was approved by the Board of Governors on 9th April 2019 and signed on its behalf by:

Mike Frankl, Treasurer

9th April 2019

Statement of Financial Activities
(Incorporating Income and Expenditure Account)
For the year ended 30th September 2018

	Notes	Unrestricted General Funds £	Revaluation Reserve £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017/18 £	*Total Funds 2016/17 £*
Income and Expenditure Account:								
INCOME FROM:								
Income from Sponsors	2	513,375	-	-	-	-	513,375	*515,705*
Voluntary Income	3	339,587	-	-	21,500	-	361,087	*286,067*
Income from Investments	4	9,744	-	-	-	22,588	32,332	*19,510*
Other Charitable Activities		171,098	-	-	-	1,165	172,263	*235,304*
Total Income and Endowments		**1,033,804**	**-**	**-**	**21,500**	**23,753**	**1,079,057**	***1,056,586***
EXPENDITURE ON:								
Raising Funds	5	81,726	-	-	-	-	*81,726*	*110,107*
Charitable Activities	6	943,698	-	-	42,643	7,550	*993,891*	*1,057,938*
Total		**1,025,424**	**-**	**-**	**42,643**	**7,550**	**1,075,617**	***1,168,045***
Net Income/Expenditure		**8,380**	**-**	**-**	**(21,143)**	**16,203**	**3,440**	***(111,459)***
Realised gains on investments		-	-	-	-	-	-	*14,355*
Unrealised gains/(losses) on investments		10,022	-	-	-	31,081	41,103	*48,202*
Realisation of Investment Property		(13,713)	-	-	-	-	*(13,713)*	*300,000*
		(3,691)	**-**	**-**	**-**	**31,081**	**27,390**	***362,557***
Net Expenditure after realised and unrealised gains/(losses)		**4,689**	**-**	**-**	**(21,143)**	**47,284**	**30,830**	***251,098***
Transfers		1,137,719	(773,464)	(337,255)	-	(27,000)	-	-
Net Movement in Funds		**1,142,408**	**(773,464)**	**(337,255)**	**(21,143)**	**20,284**	**30,830**	***251,098***
Total Funds brought forward at 1st October 2017		**168,634**	**773,464**	**357,255**	**131,054**	**785,642**	**2,216,049**	***1,964,951***
Total Funds carried forward 30th September 2018		**1,311,042**	**-**	**20,000**	**109,911**	**805,926**	**2,246,879**	***2,216,049***

The Notes on pages 18 to 26 form part of these Financial Statements.

Balance Sheet
As at 30th September 2018
Registered Number: 626693

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	**8**	271,841	*278,861*
Investment Properties	**9**	-	*1,000,000*
Investments	**10**	1,722,000	*719,386*
		1,993,841	***1,998,247***
Current assets			
Debtors	**11**	36,714	*34,895*
Cash at bank and in hand		253,664	*262,707*
		290,378	***297,602***
Creditors			
Amounts falling due within one year	**12**	37,339	*79,800*
Net Current Assets		***253,038***	***217,802***
Net Assets		***2,246,879***	***2,216,049***
Funds			
General funds	**13**	1,311,042	*168,634*
Revaluation Reserve	**13**	-	*773,464*
Designated funds	**13**	20,000	*357,255*
Total unrestricted funds		**1,331,042**	***1,299,353***
Restricted funds	**13**	109,910	*131,053*
Endowment funds	**13**	805,927	*785,643*
		915,837	***916,696***
		2,246,879	***2,216,049***

The Notes on pages 18 to 26 form part of these Financial Statements.

These accounts were approved by the voting members of the Board of Governors (the Trustees of the Charity and the Directors of the Company) on 9th April 2019 and signed on their behalf by:

Mike Frankl, Treasurer

Statement of Cash Flow

Statement of Cash Flow

	2018 £	*2017 £*
Cashflow from operating activities		
Net Movement in Funds	**30,830**	***251,098***
Adjustments for:		
Depreciation of tangible assets	7,020	*10,951*
(Increase)/decrease in debtors	(1,819)	*14,638*
Increase/(Decrease) in creditors	(42,461)	*4,117*
Unrealised gains and losses	(41,103)	*(48,202)*
Unrealised gain on property revaluation	13,713	*(300,000)*
Net cash absorbed by operating activities	**(64,650)**	**(67,398)**
Cash flows from investing activities		
Purchase of tangible assets	-	-
Proceeds on sale of investment property	986,287	
Transfer to Investments	(967,000)	
Net proceeds from investments	36,319	*23,009*
Net Cash from investing activities	**55,606**	**23,009**
Net increase in cash and cash equivalents in the year	***(9,044)***	***(44,389)***
Cash and cash equivalents at the beginning of the year	262,707	*307,096*
Cash and cash equivalents at the end of the year	**£ 253,663**	**£ 262,707**

The Notes on pages 18 to 26 form part of these Financial Statements.

Notes to the Accounts

1. Accounting Policies and Details of Estimates

1.1 Statement of Compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leo Baeck College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company Information

Leo Baeck College is a private company limited by guarantee and incorporated in England. The address of its registered office and principal place of business is The Sternberg Centre for Judaism, 80 East End Road, Finchley, London, N3 2SY.

1.3 Fund Accounting

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

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

Restricted funds are funds 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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment Funds are used in accordance with the specific restrictions imposed.

Transfer between funds occur for a number of reasons including when funds are closed on completion of a project, when fixed assets are purchased or when Trustees decide to release funds from a designated fund.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.5 Expenditure

Expenditure is charged to the Statement of Financial Activities on an accruals basis as a liability is incurred and is classified as follows:

i. Cost of Raising Funds – this comprises all costs incurred with attracting voluntary income to finance the charitable objectives.

ii. Charitable Expenditure – this comprises all expenditure incurred in the delivery of activities and services.

iii. Support Costs – this comprises central costs which are allocated to the charitable activities and governance costs on a basis consistent with the use of the resources.

iv. Governance Costs – this comprises all costs associated with meeting constitutional and statutory requirements.

Notes to the Accounts Continued

1.6 Going Concern

The Trustees have reviewed the current financial position of Leo Baeck College. Following the sale of the investment property, Trustees consider that the charity has adequate financial resources. The College has secured a grant of £30k per annum, for the next five years which further enhances its financial position.

1.7 Tangible Fixed Assets and Depreciation

Building Development: Improvements are for the charity's share of a major site development project that was completed in 2012. The improvements are stated at cost less accumulated depreciation.

Furniture and Equipment: Furniture and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation and Residual Values: Tangible assets are stated at cost less depreciation. Depreciations provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible Fixed Assets: Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture and equipment - 20% reducing balance
Building development - 2% straight line

Capitalisation Policy: Assets costing less than £1,000 are written off in the year of acquisition. All other assets are capitalised.

1.8 Investments and Investment Property

Investments are measured at fair value using the closing quoted market price at reporting date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment property is initially recognised at cost. After recognition it is carried at fair value. No depreciation is provided. Changes in fair value are recognised though profit or loss.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Creditors

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Accounts Continued

1.12 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Accruals

The company makes an estimate of accruals at the year-end based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

Tangible Assets

Tangible assets are depreciated over their useful lies taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

2. Income from Sponsors	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	*Total Funds 2017*
	£	£	£	£	£
Movement for Reform Judaism	278,958	-	-	278,958	*324,955*
Liberal Judaism	186,417	-	-	186,417	*172,750*
European Union for Reform Judaism	18,000	-	-	18,000	*18,000*
JJBS Grant	30,000	-	-	30,000	-
	513,375	**-**	**-**	**513,375**	***515,705***

The income from sponsors is £513,375, (2017: £515,705) and represents student sponsorship and a contribution to the running costs of the College.

3. Voluntary Income	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	*Total Funds 2017*
	£	£	£	£	£
Donations and Legacies	339,587	21,500	-	361,087	*286,067*
	339,587	**21,500**	**-**	**361,087**	***286,067***

The income from donations and legacies is £361,087, (2017: £286,067) of which £339,587 was unrestricted (2017: £233,767) and £21,500 was restricted (2017: £52,300). The restricted income includes funds from grants and Trusts in support of the academic future of the College and its students.

Notes to the Accounts Continued

4. Income from Investments	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	*Total Funds 2017*
	£	£	£	£	£
Interest on Cash Deposits	2,029	-	-	2,029	-
Dividends from Investments	7,715	-	22,588	30,303	*19,510*
Total	**9,744**	**-**	**22,588**	**32,332**	***19,510***

Income from Investments and Interest is £32,332 (2017: £19,510) of which £(9,744) is unrestricted (2017: £0) and £22,588 is allocated to Endowment Funds (2016: £19,510). This income has been apportioned in line with the split of Unrestricted Investments and the Endowment Fund.

5. Raising Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	*Total Funds 2017*
	£	£	£	£	£
Staff costs	55,385	-	-	55,385	*58,309*
Publicity, advertising and rabbinic recruitment	26,341	-	-	26,341	*51,798*
Total	**81,726**	**-**	**-**	**81,726**	***110,107***

Expenditure on raising funds was £81,726 (2017: £110,107). This expenditure includes the cost of fundraising events and publicity.

6. Charitable Activities	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	*Total Funds 2017*
	£	£	£	£	£
Tuition	603,967	25,586	4,530	634,084	*674,108*
Student Accommodation	9,437	-	-	9,437	*9,836*
Programmes, Jewish Lifelong Learning & Interfaith	245,362	-	-	245,362	*255,743*
Library and Sundries	84,933	17,057	3,020	105,009	*118,251*
Total	**943,698**	**42,643**	**7,550**	**993,891**	***1,057,938***

Expenditure on charitable activities was £990,891 (2017: £1,057,938) of which the Unrestricted Fund costs were £943,698 (2017: £983,626), Restricted Fund costs were £42,643 (2017: £67,896) and Endowment Fund costs were £7,550 (2017: £6,416).

Note Charitable Activities include the following allocation of support costs

Analysis of Support Costs	Total 2018	*Total 2017*
	£	£
Support Staff Costs	*111,425*	*110,423*
Rent	*38,513*	*34,016*
Insurance	*10,682*	*7,139*
Printing, postage, stationery	*8,744*	*9,486*
Telephone	*1,816*	*2,595*
Computer Costs	*13,998*	*16,161*
Travelling	*8,952*	*8,135*
Depreciation	*7,020*	*7,022*
Accountancy, Legal & Audit Fees	*38,778*	*42,845*
Other Costs	*8,619*	*18,974*
Total	***248,547***	***256,796***

The support costs are allocated across the Charitable Activities and Governance Costs. Auditor's remuneration for the year totalled £7,000 (2017: £7,000).

Notes to the Accounts Continued

7. Analysis of Total Staff Costs **Staff Costs:**	**Total 2018** **£**	***Total 2017*** **£**
Wages and Salaries Including Visiting Lecturers	460,942	*486,074*
Social Security Costs	36,523	*40,442*
Pension Costs	31,066	*27,315*
Total	**528,531**	***553,831***
Staff Numbers:		
Analysed by Function		
Academic	6	*6*
Support and Fundraising	4	*5*
Library	1	*1*
Average Monthly Number of Employees	**11**	***12***
Average Full Time Equivalents	**11**	***12***

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

	2018	***2017***
£60,000-£70,000	1	*1*

Key Management Compensation

Key Management Compensation include Trustees and members of Senior Management. The compensation paid and payable to key management for employee services is shown below;

	Total 2018 **£**	***Total 2017*** **£**
Salaries and Other Short Term Benefits	248,030	*252,137*
Pension Costs	20,253	*20,121*
	268,283	***272,258***

During the year no Trustees received any remuneration or benefits.

8. Fixed Assets	**Leasehold Property and Improvements** **£**	**Computer Equipment** **£**	**Total** **£**
Cost			
Cost at 1st October 2017	351,104	11,796	362,900
Additions	-	-	-
Cost at 30th September 2018	**351,104**	**11,796**	**362,900**
Depreciation			
At 1st October 2017	72,244	11,795	84,039
Charge for the year	7,020	-	7,020
At 30th September 2018	**79,264**	**11,795**	**91,059**
Net book value at 30th September 2018	**271,840**	**1**	**271,841**
Net book value at 30th September 2017	*278,860*	*1*	*278,861*

All Tangible Fixed Assets are used in the furtherance of the Charity's objectives.

Notes to the Accounts Continued

9. Investment Property - Revaluation	Freehold Investment Property £
Valuation Brought Forward	1,000,000
Disposal	(1,000,000)
Valuation Carried Forward	**-**

The College sold the investment property on 20th December 2017.
On a historical cost basis this property would have been included at an original cost of £309,375.

10. Investments **Market Value**	**Total 2018 £**	***Total 2017 £***
UK Fixed Interest	258,036	*81,255*
UK Equities	802,427	*355,535*
Overseas Equities	371,600	*197,574*
Emerging Economies	16,895	-
Property	45,587	*44,404*
Alternatives	92,129	*29,818*
UK Cash	135,326	*10,800*
Listed Investments Dealt With on a Recognised Stock Exchange	**1,722,000**	***719,386***

Quoted Investments	**Total 2018 £**	***Total 2017 £***
Market Value at 1st October	719,386	*694,194*
Transfer from Sale of Investment Property	967,000	-
Net Realised Investment Gains	-	*48,203*
Net Unrealised Investment Gains/(Losses)	41,103	*14,355*
Transfer to Cash at Bank	(27,000)	*(50,000)*
Income Reinvested	29,391	*19,001*
Interest Income Reinvested	912	*387*
Investment Managers Charges	(8,792)	*(6,754)*
Market Value at 30th September	**1,722,000**	***719,386***
Historical Cost as at 30th September	**1,535,505**	***562,236***

11. Debtors	2018 £	*2017 £*
Trade Debtors	11,558	*3,399*
Other Debtors	25,156	*31,496*
	36,714	***34,895***

Notes to the Accounts Continued

12. Creditors : Amounts falling due within one year

	2018	2017
	£	£
Trade Creditors	6,440	11,772
Other Creditors	15,002	12,559
Accruals	8,040	34,662
Deferred Income	7,858	20,807
	37,339	**79,800**

13. Statement of Funds

	Movement in Funds: Balance at 1st Oct 2017	Income	Expenditure	Gains /(losses)	Transfers	Balance at 30th Sep 2018
	£	£	£	£	£	£
General Reserve	168,634	1,033,804	(1,039,137)	10,022	1,137,719	1,311,042
						-
Designated Funds						-
Materials for the Library	10,064	-	-	-	(10,064)	-
Manor House Repair Fund	46,789	-	-	-	(26,789)	20,000
Development Fund	180,269	-	-	-	(180,269)	-
Pamela (Leila) Littman Scholarship Fund	26,676	-	-	-	(26,676)	-
The Sidney Kingley Trust Fund	93,457	-	-	-	(93,457)	-
Total Designated Funds	**357,255**	**-**	**-**	**-**	**(337,255)**	**20,000**
Revaluation Reserve	**773,464**	**-**	**-**	**-**	**(773,464)**	**-**
Total Unrestricted Funds	**1,299,353**	**1,033,804**	**(1,039,137)**	**10022**	**27,000**	**1,331,042**

Purposes of Designated Funds

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.

	Movement in Funds: Balance at 1st Oct 2017	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 30th Sep 2018
	£	£	£	£	£	£
Restricted Funds						
Eastern European Fund	1,550	-	(678)	-	-	872
Interfaith Fund	7,326	-	-	-	-	7,326
Pamela and Anthony Littman Book Fund	12,688	-	(527)	-	-	12,161
Progressive Judaism Library Fund	3,023	-	-	-	-	3,023
Rabbinic Students Support Fund	52	6,000	(6,052)	-	-	-
Windermere Avenue Appeal Fund	12	-	-	-	-	12
Library Judaica Fund	7,706	-	-	-	-	7,706
Lectureship in Jewish Thought and Ethics Fund	59,753	-	(6,650)	-	-	53,103
Michael Gouldston Education Foundation	13,969	-	(12,000)	-	-	1,969
Gertrud Stein Liberal Jewish Synagogue Teaching Fund	19,723	-	-	-	-	19,723
Professor Ludwick Finkelstein Student Prize	200	-	-	-	-	200
Lech Lecha Fund	935	-	-	-	-	935
RIF Italiener Conference Fund	417	-	-	-	-	417
JJBS Fund - Pardes	574	6,000	(6,000)	-	-	574
Shoresh Fund	-	8,000	(7,736)	-	-	264
Koi Chai - 3rd Year Students Vocational Classes Fund	625	-	-	-	-	625
Jewish Memorial Foundation Fund	1,500	1,500	(3,000)	-	-	-
Didymus Fund	1,000	-	-	-	-	1,000
Total Restricted Funds	**131,053**	**21,500**	**(42,643)**	**-**	**-**	**109,910**

Notes to the Accounts Continued

Purposes of Restricted Funds

- **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 used 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 Fund** 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 Ludwick 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.
- **The Ruth Ivor Foundation (RIF**) **Italiener Conference Fund** provided funds for the Italian Conference which took place in 2014.
- **JJBS Fund – Pardes** provides support for the vocational continued professional development of recently ordained rabbis.
- **The Shoresh Fund** supports the Lehrhaus course, the adult learning programme.
- The Kol Chai - 3rd Year Students Vocational Classes Fund is to provide additional support for those students.
- **The Jewish Memorial Fund** provides funding to support the refurbishment of lighting in the Drawing Room of the Manor House at the Sternberg Centre in Finchley.
- **The Didymus Fund** supports the KOHA project, the library open source system.

Notes to the Accounts Continued

	Movement in Funds: *Balance at 1 Oct 2017* £	Income £	Expenditure £	Gains /(losses) £	Transfers £	Balance at 30 Sep 2018 £
Endowment Funds						
Arthur and Sybil Simon Bursary Fund	*16,880*	-	-	-	-	16,880
Bechler Charitable Trust	*99,600*	-	-	-	-	99,600
The Suminden Bursary Fund	*668,163*	22,588	(7,550)	31,081	(27,000)	687,282
Lionel Blue Lecture Fund	*1,000*	165	-	-	-	1,165
Sheila Shulman Chair Fund		1,000	-	-	-	1,000
Total Endowment Funds	***785,643***	**23,753**	**(7,550)**	**31,081**	**(27,000)**	**805,927**
Total Funds	***2,216,049***	**1,079,057**	**(1,089,330)**	**41,103**	**-**	**2,246,879**

Purposes of Endowment Funds

- **The Arthur and Sybil Simon Bursary 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 to support the education and welfare of rabbinic students.
- **The Lionel Blue Lecture Fund** for The Rabbi Lionel Blue Chair in The Public Engagement in Progressive Judaism.
- **The Sheila Shulman Chair Fund** for The Rabbi Sheila Shulman Chair in The Public Engagement in Progressive Judaism.

14. Analysis of Net Assets between Funds	**Tangible Fixed Assets**	**Investment Property**	**Investments**	**Net Current Assets**	**Total 2018**	***Total 2017***
Unrestricted Funds	271,841	-	916,073	143,128	1,331,042	*1,299,353*
Restricted Funds	-	-	-	109,910	109,910	*131,053*
Endowment Funds	-	-	805,927	-	805,927	*785,643*
	271,841	**-**	**1,722,000**	**253,038**	**2,246,879**	***2,216,049***

15. Connected Charities

Leo Baeck College has some Governors in common with Reform Judaism, 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).

16. Analysis of Changes in Net Debt	**At Start of Year** £	**Cash-Flows** £	**Acquisition/ Disposal of Subsidiaries** £	**New Finance Leases** £	**Fair Value Movements** £	**Foreign Exchange Movements** £	**Other Non-Cash Changes** £	**At End of Year** £
Cash	262,707	-	-	-	-	-	(8,775)	253,932
Cash Equivalents	-	-	-	-	-	-	-	-
Overdraft Facility Repayable on Demand	-	-	-	-	-	-	-	-
Loans Falling Due Within One Year	-	-	-	-	-	-	-	-
Loans Falling Due after More Than One Year	-	-	-	-	-	-	-	-
Finance Lease Obligations	-	-	-	-	-	-	-	-
Total	**262,707**	**-**	**-**	**-**	**-**	**-**	**(8,775)**	**253,932**

Independent Auditor's Report to the Members

Opinion

We have audited the financial statements of Leo Baeck College for the year ended 30 September 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 30 September 2018 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

Independent Auditor's Report to the Members Continued

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

Independent Auditor's Report to the Members Continued

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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of Trustees

As explained more fully in the Governor Responsibilities Statement set out on page 11, the Governors (who are also Trustees of the charitable company for the purposes of charity law and 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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

Independent Auditor's Report to the Members Continued

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members and the Trustees, 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 to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
71 Queen Victoria Street, London, EC4V 4BE
Statutory Auditors

Date: 9th April 2019

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

OUR CLASS OF 2018

Rabbi Roberta Harris-Eckstein

LBC has provided me with one of the most challenging and ultimately positive experiences of my life. The courses are rigorous and, providing we engage fully with them, are intensely enjoyable intellectually, bringing each of us a close understanding of our history and heritage as Jews. But the real objective of the training is not an intellectual exercise, but a lengthy spiritual journey during which the student evolves into a rabbi, willing to engage with the many difficulties brought to her or him by a congregant or indeed anyone from the wider sphere. The responsibility of the task is huge, but the training we have been given has fitted us for the role - and the College itself and the wider community of Rabbis it has created is always there, so that we are able to support each other in our life's work as guides and servants of our Progressive Jewish world.

Rabbi Nathan Godleman

How could I ever forget my five years at the College? Everywhere I go and everything I do in my rabbinate will be shaped and enabled by the fact that I am a Leo Baeck graduate, and a proud and grateful one at that.

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