

**LEO BAECK INSTITUTE LIMITED (By Guarantee)**

**Report and Financial Statements  
for the year ended 31 December 2014**

**Registered Charity no: 235163**

**Company no: 766699**

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## **LEO BAECK INSTITUTE LIMITED (By Guarantee)**

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# **LEO BAECK INSTITUTE LIMITED (By Guarantee)**

## **Legal and administrative information**

### **Constitution**

Leo Baeck Institute Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

Charity number: 235163.

Company number: 766699

### **Directors and trustees**

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees are elected annually by the members of the charitable company attending the Annual General Meeting and serve for a period of one year.

The trustees serving during the year and since the year end were as follows:

Prof. Dr. S Gilman - Chairman  
A Freudenheim  
Dr C Gelbin  
D Goldsmith  
Prof. P. Pulzer  
Dr D Rechter

### **Honorary Life President**

Dr A Paucker

### **Secretary**

Prof. R. Gross

### **Operational address and Registered office**

2nd Floor, Arts Two Building, Queen Mary, University of London, Mile End Road, London, E1 4NS

### **Independent Examiner**

S W Bunce - Chartered Accountant  
Ridley Marreco & Co, Grenville House, Main Road, Farthinghoe, Northants, NN13 5PA

### **Bankers**

Coutts & Co., 440 Strand, London, WC2R 0QS

## **LEO BAECK INSTITUTE LIMITED (By Guarantee)**

### **Report of the trustees for the for the year ended 31 December 2014**

The trustees who are also directors of the charity for the purposes of the Companies Act, present their report together with the independently examined accounts for the year ended 31 December 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

#### **Structure, governance and management.**

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

A board of trustees of up to seven members, who meet quarterly, governs the charity. A Chief Executive and a Treasurer are appointed by the trustees to manage the day-to-day operations of the charity.

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on page 1 served throughout the year.

#### **Risk management**

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

#### **Objectives and activities**

The objects of the charity are to advance the education of the public in all aspects of the history of German speaking Jews and to undertake and promote research into this subject and publish learned papers.

The principal activities continued to relate to the publication of the Leo Baeck Institute Year Book, and the organisation of conferences, seminars and lectures. The Leo Baeck Institute Year Book consists of papers and theses arising from the historical research undertaken during recent years. The charity continues to work with Queen Mary University of London to operate MA programmes incorporating bursaries of MA and PhD students.

#### **Public benefit**

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The strategies employed to achieve the charities aims and objectives are to:

Promote and organise a series of lectures, seminars and workshops throughout the year furthering the understanding of the history of German speaking Jews throughout the world;

Make these activities open to members of the public and other interested parties;

Publication of learned papers;

Actively participate with the history departments of Universities and, in collaboration with Queen Mary University of London, provide enhanced education opportunities in the study of German Jewish and European history.

Publish the Leo Baeck Institute Year Book.

#### **Achievements and performance**

During the year the publishing arrangements with Oxford University Press have continued with great success, reaching a wider public, largely by the electronic means employed. The programme of research, commenced in previous years, continued and the year book and bibliography were published as scheduled.

The charity continued to promote and fund a series of lectures and projects on various aspects of the history of German speaking Jews.

#### **Financial review**

Total incoming resources for the year amounted to £ 195,956, which represents a decrease of £87,626 over the previous year.

Donations in respect of restricted funds amounting to £104,943 were received in the previous year specifically to finance a project researching the historical significance of Jews in science and the humanities. This project was completed in June 2013 and funding ceased at that time. Funding amounting to £3,020 was received during the year in respect of the Hirschfield Conference Fund.

Resources expended decreased from £328,670 to £246,203. This is also a reflection of the decrease in expenditure on the projects in restricted funds. In addition, the continued application of strict controls over spending limits and budgeted expenditure has enabled outgoing resources to be kept within reasonable bounds for the level of activity over the year.

The net result for the year was an excess of expenditure on general fund amounting to £34,407. The amount available as free reserves of the charity was increased in total to £97,590 after reflecting investment surpluses.

Restricted funds resulted in a net outflow of funds for the year of £15,840 which decreased the restricted fund balances from £499,526 to £483,686.

## **LEO BAECK INSTITUTE LIMITED (By Guarantee)**

### **Report of the trustees for the year ended 31 December 2014**

#### **Investment policy and performance**

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit. The investment strategy has been reviewed and the bulk of cash reserves are invested on deposit with Coutts Bank, also Bond Funds and Equity Funds, both held through London & Capital Investments.

#### **Reserves policy**

The major source of funding received by the charity is from the Leo Baeck Institute Central Fund, a foundation based in Germany, which is funded as part of Jewish Restitution payments from the German Central Government. It is not anticipated that this source of funding will cease in the near future.

With regard to this the trustees operate a policy to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately nine months expenditure in the unrestricted fund. This will allow the charity to sustain its operation in the event of funding from the Leo Baeck Institute Central Fund being curtailed temporarily. The present level of funding is adequate to support the continuation of operations for the medium term, and the trustees consider the financial position of the charity to be satisfactory.

#### **Plans for future periods**

The relationship with Queen Mary University of London has been a great success and plans to build on that relationship are in hand. The intention is to build further on the liaison with the University and other Academic Institutions.

The current programme of seminars, lectures and conferences will continue as will the production of the Leo Baeck Institute Year Book.

The question of future funding has addressed by the Trustees. The fundraising initiative, commenced in 2012, will continue, and future events will be held to build an endowment fund to secure the future financial viability of the charity.

#### **Trustees' responsibilities in relation to the financial statements**

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The trustees are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period.

In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for maintaining adequate 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.

Approved by the board of directors / trustees on 17th July 2015 and signed on its behalf by:



Prof Dr S Gilman  
Chairman

## LEO BAECK INSTITUTE LIMITED (By Guarantee)

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LEO BAECK INSTITUTE LIMITED

I report on the accounts of the charitable company for the year ended 31st December 2014, which are set out on pages 5 to 10.

#### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the charitable company for the purposes of company law ) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having been satisfied that the charity is not subject to audit under company law and is eligible for independent examination it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

#### Basis of independent examiner's report.

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### Independent examiner's statement

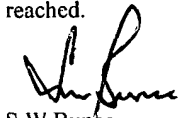
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

(a) to keep accounting records in accordance with s386 of the Companies Act 2006; and

(b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



S W Bunce

Ridley Marreco & Co

Chartered Accountant  
Grenville House, Main Road  
Farthinghoe, Northants. NN13 5PA

Date 30 June 2015

**LEO BAECK INSTITUTE LIMITED (By Guarantee)**

**Statement of Financial Activities  
for the year ended 31 December 2014**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>TOTAL FUNDS</b>	
			<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>				
Incoming resources from generated funds				
<b>Voluntary income</b>				
Leo Baeck Institute Central Fund	127,696		127,696	132,499
Incoming Resources from donors	19,924	3,020	22,944	110,428
<b>Investment income</b>				
Interest on cash deposits	6	-	6	430
<b>Incoming resources from charitable activities</b>				
Income directly attributable to Year Books	40,846	-	40,846	34,555
<b>Other incoming resources</b>	4,464	-	4,464	5,670
	192,936	3,020	195,956	283,582
<b>Realised profit on disposal of investments</b>	-	-	-	4,344
<b>Total Income</b>	192,936	3,020	195,956	287,926
<b>RESOURCES EXPENDED</b>				
<b>Costs of generating funds</b>				
Fundraising costs	15,482		15,482	16,057
<b>Charitable activities</b>				
Year Book	46,801		46,801	52,087
Projects, lectures & seminars	135,794	3,027	138,821	199,001
Bursaries & tuition fees	14,991	15,833	30,824	45,467
<b>Governance costs</b>	14,275		14,275	16,058
<b>Total resources expended</b>	227,343	18,860	246,203	328,670
<b>Net incoming (outgoing) resources before other recognised gains and losses</b>	(34,406)	(15,840)	(50,246)	(40,744)
<b>Other recognised gains and losses</b>				
Depreciation	(4,592)		(4,592)	(4,592)
Unrealised profit (loss) on foreign exchange	(3,821)	-	(3,821)	267
Unrealised profit (loss) on investment assets	41,680	-	41,680	1,698
Write back provisions made in prior years	6,409		6,409	3,628
<b>NET MOVEMENT IN FUNDS</b>	5,270	(15,840)	(10,570)	(39,743)
<b>FUND BALANCES BROUGHT FORWARD</b>	92,320	499,526	591,846	631,589
<b>FUND BALANCES CARRIED FORWARD</b>	97,590	483,686	581,276	591,846

The notes on pages 7 to 10 form part of these accounts

**LEO BAECK INSTITUTE LIMITED ( By Guarantee)****(A registered Charity No: 235163)****Balance Sheet as at 31 December 2014**

		2014	2013
<b>FIXED ASSETS - Tangible Assets</b>			
Office Furniture & Equipment at cost			
less Depreciation	<b>Note 2</b>	598	5,190
<b>INVESTMENTS</b>	<b>Note 3</b>	540,648	498,968
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		43,292	98,801
Debtors and prepayments		38,991	27,864
		<u>82,283</u>	<u>126,665</u>
<b>CURRENT LIABILITIES</b>			
Amounts falling due within one year:			
Accruals	34,326		10,356
Creditors	7,927		28,621
Taxation and Social Security			-
		<u>42,253</u>	<u>38,977</u>
<b>NET CURRENT ASSETS</b>		40,030	87,688
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>£ 581,276</u>	<u>£ 591,846</u>
<b>UNRESTRICTED FUNDS:</b>			
General Fund		97,590	92,320
<b>RESTRICTED FUNDS:</b>			
Contingency & Staff Reserve Fund	<b>Note 6</b>	75,000	75,000
Endowment Fund	<b>Note 7</b>	408,686	408,686
John Grenville Bursary	<b>Note 8</b>	-	15,833
Hirschfeld Conference Fund	<b>Note 9</b>	-	7
		<u>£ 581,276</u>	<u>£ 591,846</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

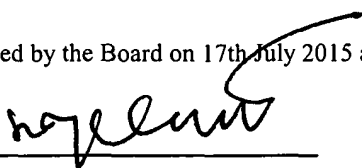
The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Board on 17th July 2015 and signed on its behalf by:

Prof Dr. S. Gilman

Chairman





Notes forming part of the financial statements  
for the year ended 31 December 2014

**1 Principal accounting policies**

**(a) Accounting convention**

The financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006, so far as it is applicable to the company. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice on Accounting by Charities (SORP 2005) issued in March 2005.

**(b) Allocation of overhead and support costs**

Overhead and support costs have been allocated between charitable activity and governance. The allocation of overhead and support costs is analysed in note 5.

**(c) Costs of generating funds**

Other fundraising costs consist of the allocation of salaries, on a time basis, where staff have been engaged in fundraising.

**(d) Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees.

**(e) Tangible fixed assets and depreciation**

All assets individually costing more than £1,500 are capitalised.

Fixtures & equipment is written off on a straight-line basis over its estimated useful life of four years.

**(f) Foreign currencies**

Income and expenditure and assets and liabilities denominated in foreign currencies are reported at the rate of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates from the previous year end is reported in the Statement of Financial Activities.

**(g) Incoming resources**

Donations, grants and similar income are recognised as incoming resources once the charity has entitlement, it is certain that the resources will be received, and the monetary value of the incoming resource can be measured with sufficient reliability.

**(h) Interest on UK cash deposits and fixed interest securities**

Incoming resources from UK cash deposits and investments are recognised in the period in which the charity is entitled to receipt.

**(i) Resources expended**

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT, which cannot be recovered.

**(j) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Details of the nature and purpose of each fund are set out in notes 6 to 9.

**(k) Corporation tax**

No provision has been made for UK Taxation as the company is a registered charity and has carried on no activity which may make it liable to UK taxation.

**LEO BAECK INSTITUTE LIMITED ( By Guarantee )**

**Notes forming part of the financial statements**

**for the year ended 31 December 2014 (continued)**

**2 Tangible fixed assets (see also Note 1(e))**

	Fixtures and Equipment
Cost at 1 January 2014 and 31 December 2014	£ 18,368
Depreciation at 1 January 2014	13,178
Provided in year	4,592
Depreciation at 31 December 2014	£ 17,770
Written down value at 1 January 2014	5,190
Written down value at 31 December 2014	£ 598

**3 Investments**

Market value at 1 January 2014	498,968
Additions	-
Proceeds of disposals	-
Profit on disposal	-
Unrealised profit	41,680
Market value at 31 December 2014	£ 540,648
Historical cost	£ 489,169
Consisting of:	
Unquoted Equity Funds with London & Capital	242,225
Unquoted Bond Funds with London & Capital	298,423
	£ 540,648

**4 Staff costs and trustees' remuneration.**

	<b>2014</b>	<b>2013</b>
Salaries	35,251	34,440
Other staffing costs	36,127	34,637
Social security costs	687	2,518
	£ 72,065	£ 71,595

The average weekly number of staff during the period, calculated on a full time equivalent basis, was:

2

2

The Trustees received no emoluments. Expenses for the year totalling £2,556 (2013 - £4,417) were paid to six trustees in respect of reimbursements for travel in their operational and governance roles.

No employees received emoluments in excess of £60,000 per annum or equivalent.

**LEO BAECK INSTITUTE LIMITED ( By Guarantee )**

**Notes forming part of the financial statements  
for the year ended 31 December 2014 (continued)**

**5 Allocation of support costs and overheads**

The breakdown of support costs and how these were allocated between governance and charitable activities is shown in the table below.

	Total allocated £	Governance £	Year Book £	Fund raising £	Projects & seminars £	Bursaries & Tuition £	Restricted funds £	Basis of allocation
Staff costs	72,065		8,834	6,660	56,571			Staff time
Office rental & costs	52,318	2,496	6,989	3,494	36,939		2,400	Staff time
Accountancy and Examination	6,786	6,786						Actual
Bank charges	2,437	2,437						Actual
Expenses of meetings	2,556	2,556						Actual
<b>Overhead &amp; support</b>	<b>136,162</b>	<b>14,275</b>	<b>15,823</b>	<b>10,154</b>	<b>93,510</b>	<b>-</b>	<b>2,400</b>	
Fundraising costs	51			51				Actual
Year book costs	30,978		30,978					Actual
Consultancy	5,277			5,277				Actual
Projects & seminars	42,911				42,284		627	Actual
Bursaries & tuition	30,824					14,991	15,833	Actual
<b>Total expended</b>	<b>246,203</b>	<b>14,275</b>	<b>46,801</b>	<b>15,482</b>	<b>135,794</b>	<b>14,991</b>	<b>18,860</b>	

**6 Contingency and staff reserve fund**

Balance at 1 January 2014 and 31 December 2014 £ 75,000

The above Fund is specifically to fund any future extraordinary payments in relation to staff and other costs.

**7 Endowment fund**

Balance at 1 January 2014 and 31 December 2014 £ 408,686

The above fund was set up to meet the expenses of removal to, and running costs, of new premises at Queen Mary University of London and has been redesignated by the trustees as an Endowment Fund.

**LEO BAECK INSTITUTE LIMITED ( By Guarantee )**

**Notes forming part of the financial statements  
for the year ended 31 December 2014 (continued)**

**8 John Grenville Bursary**

Balance at 1 January 2014	15,833
Income received	-
Bursary paid	(15,833)
Balance at 31.12.14	£ -
Donations have been pledged for three years to fund one PhD student at Queen Mary University of London.	

**9 Hirschfeld Conference Fund**

Balance at 1 January 2014	7
Income received	3,020
Payments made	(627)
Contribution to LBI expenses	(2,400)
	£ -

This Fund was set up during the year, by the trustees, to cover the cost of the Hirschfeld Conference, due to take place in 2015.

**10 Analysis of net assets by fund**

	Unrestricted	Restricted	Total
Fixed assets	598	-	598
Investments	105,745	434,903	540,648
Current assets	33,500	48,783	82,283
Current liabilities	(42,253)	-	(42,253)
	£ 97,590	£ 483,686	£ 581,276

**11 Restricted funds**

Contingency and staff reserve fund	75,000
Endowment fund	408,686
John Grenville Bursary Fund	-
Hirschfeld Conference Fund	-
Academia Project	-
	£ 483,686

**12 Lease commitments**

At 31st December 2014, the charity had annual commitments under non-cancellable operating leases as follows:

Expiry Date		
Within one year	£ 42,620	42,620
Between one and five years	£ 191,790	234,410

**13 Capital commitments**

At 31st December 2014 the charity had capital commitments for furniture and equipment, authorised but not contracted, amounting to NIL (2013 - NIL).