

Company No. 1109384
Charity No. 309720

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

Reports and Financial Statements

31 July 1997

Neville Russell
Chartered Accountants
St. Thomas House
6 Becket Street
Oxford
OX1 1PP



OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

Registered in England No. 1109384

Registered Charity No. 309720

GOVERNORS

Sir Richard Greenbury - Chairman
Professor A Jones - Vice Chairman

Professor J Barton

Mr M H Bergreen

Dr B S Blumberg

Dr S Brichto

Professor A M Cameron

Mrs E Corob

Mrs R L Deech

Mr M Garston

Professor M D Goodman

Dr A Gottschalk

Mr D Hyman

Mr D J Lewis

Mr C M Marks

Professor D I Marquand

Mr M D Paisner

Professor D Patterson

Mr G R Pinto

Dame Shirley Porter

Mr F Posen

Dr R C Repp

Mr D J Trevelyan

Dr B M J Wasserstein

Lord Weidenfeld

Professor H G M Williamson

EMERITUS PRESIDENT

Professor D Patterson

PRESIDENT

Dr B M J Wasserstein

SECRETARY

Mr M D Paisner

BURSAR

Mr P J Da Costa

REGISTERED OFFICE

Yarnton Manor

Church Lane

Yarnton

Oxford

OX5 1PY

AUDITORS

Neville Russell

Chartered Accountants

St Thomas House

6 Becket Street

Oxford

OX1 1PP

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

Table of Contents

	Page
Report of the Governors	1 - 3
Governors' Responsibilities	4
Auditors' Report	5
Consolidated Statement of Financial Activities	6
Consolidated Summary Income and Expenditure Account	7
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Notes to the Financial Statements	10 – 18

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 1997**

The Governors present their report and the financial statements for the year ended 31 July 1997.

Objective of the charity

The principal activity of the Oxford Centre for Hebrew and Jewish Studies ('the Centre') is the advancement of research and education in the field of Hebrew and Jewish Studies.

Charitable status

The Centre is a registered charity and has no liability to corporation tax on its charitable activities. The Centre is administered under the Memorandum and Articles of Association: The Yarnton Trust is an associated trust governed under a separate trust deed. The Centre is a company limited by guarantee and has no share capital. Each member undertakes to subscribe £1 in the event of a winding up of the company. The income and property of the Centre must be applied solely towards the promotion of the objectives of the Centre.

The Centre operates from two main locations. Most of the full-time fellows teach and carry out research from 45 St Giles' in the centre of Oxford. At the Yarnton Manor campus estate accommodation, a major research library, teaching and administrative support are provided for the Centre's fellows and instructors, visiting fellows, visiting scholars and students. Numerous related academic activities occur during the year at both locations, including seminars, lectures and conferences.

Investment powers

Under the Memorandum of Association 3(ix) the Centre has the power to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit. The Yarnton Trust has the power to invest money under its trust deed as may be thought fit.

Future developments

The Governors intend to build on the achievements of the Centre and continue to meet the highest standards of academic integrity, originality and excellence. They also intend to develop plans for teaching and research in new areas and to respond to academic needs by creating new posts and programmes. Specific fields that have been identified as high priority for new appointments include Hebrew Language, Rabbinics, Israel Studies, Sephardic Studies and Qumran Studies

The Centre aims to strengthen its links with the University of Oxford to tighten academic integration whilst still maintaining legal and financial independence.

The Centre aims to construct a new facility in central Oxford as a new teaching centre, refurbish the Yarnton campus and expand residential accommodation for students and visiting scholars.

The Centre intends to extend the library provision through refurbishment, shelving and cataloguing of the recently purchased Elkoshi collection and computerisation of the library's catalogue. The first phase of construction in the library commenced this summer.

The Centre also aims to enhance co-operation with other institutions engaged in advanced research and teaching in Hebrew and Jewish Studies.

Review of the year

The full review of the year is contained in the separately published academic reports of the Oxford Centre for Hebrew and Jewish studies for the academic years ending 31 October 1996 and 1997.

**REPORT OF THE GOVERNORS (Continued)
FOR THE YEAR ENDED 31 JULY 1997****Funds**

A number of changes have been made to the Centre's funds during the year to reflect the movement of each separate significant fund of the Centre. In accordance with the relevant SORP, these are shown in the SOFA and at the balance sheet date the Governors are of the opinion that the funds are adequate to fulfil the current obligations of the Centre and over the 12 months from the date of this report. Attention is drawn to note 12 of the financial statements which sets out the position with respect to the endowment funds of the Centre.

Review of transactions of charity and financial position

Total income and expenditure both increased during the year, and this year showed a surplus compared to a deficit last year. The presentation of the results for the year reflects for the first time the requirements of the Statement of Recommended Practice as published by The Charities Commission ("the SORP"), and the financial statements consolidate the activities of The Yarnton Trust.

There was a significant improvement in the endowment fund position of the Centre during the year, which increased by £296,010. Most of this was raised for the Silver Jubilee Appeal.

A new statement of financial activities (SOFA) for the year has been produced, showing movements on Unrestricted, Restricted and Endowment funds of the Centre.

The property assets of the Centre are held in order to carry out the Centre's teaching, accommodation and library support activities. Other assets are held as endowment investments. During the year most of these were held in The Yarnton Trust and underlying investments increased during the year. The movements in investments can be seen in note 8 to these accounts.

Report of the investment fund manager

The assets of The Yarnton Trust portfolio have remained invested in accordance with its yield objective, namely to produce a gross income of approximately £70,000, and this has broadly been achieved. This represents a yield of approximately 5.8%, which is significantly in excess of the market (+3.1%) and has restrained the capital growth of the portfolio to some extent. The value of the portfolio as at 31 July 1997 was £1,202,152 (31 July 1996: £1,089,072) showing an increase of £113,080 after net withdrawals over the year, representing an appreciation of 10.7%.

**REPORT OF THE GOVERNORS (Continued)
FOR THE YEAR ENDED 31 JULY 1997**

Governors

The Governors set out below have held office for the whole of the period from 1 August 1996 to the date of this report, unless otherwise stated. In accordance with the Articles of Association, Dr B S Blumberg, Dr S Brichto, Mrs E Corob, Mr M Garston, Dr A Gottschalk, Mr C M Marks and Mr G R Pinto resign and, being eligible, offer themselves for re-election.

Sir Richard Greenbury – Chairman	Mr C M Marks
Professor A Jones - Vice Chairman	Professor D I Marquand – appointed 25.3.97
Professor J Barton	Mr M D Paisner
Mr M H Bergreen	Professor D Patterson
Dr B S Blumberg	Mr G R Pinto
Dr S Brichto	Dame Shirley Porter
Professor A M Cameron – appointed 7.12.96	Mr F Posen
Mrs E Corob	Dr R C Repp
Mrs R L Deech	Dr D A Roe - resigned 8.7.97
Mr M Garston	Mr D J Trevelyan
Professor M D Goodman	Dr B M J Wasserstein - President
Dr A Gottschalk	Lord Weidenfeld
Mr D Hyman	Professor H G M Williamson
Mr D J Lewis	

Appointment of University Board Governors

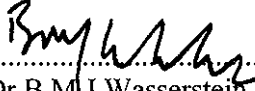
The following bodies are allowed to appoint members of the Board of Governors in accordance with the Articles of Association

- Hebdomadal Council of the University of Oxford (one member)
- The General Board of the Faculties of the University of Oxford (one member)
- The Oriental Studies Board of the University of Oxford (one member)
- The Governing Body of St Cross College, Oxford (two members)

Auditors

The auditors, Neville Russell, signified their willingness to continue in office and a resolution proposing their re-appointment was put to the Annual General Meeting and approved.

Approved by the Board of Governors on29 May.....1998
and signed on its behalf by


.....
Dr B M J Wasserstein, Governor and President
Yarnton Manor
Church Lane
Yarnton
Oxford
OX5 1PY

GOVERNORS' RESPONSIBILITIES

Company 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 Centre and of the surplus or deficit of the Centre for that period. In preparing those financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Centre. They are also responsible for safeguarding the assets of the Centre and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE MEMBERS OF THE
OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES**

We have audited the financial statements on pages 6 to 18, which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 10 and 11.

Respective responsibilities of Governors and Auditors

As described on page 4 the governors (who are also the directors of the Oxford Centre for Hebrew and Jewish Studies for the purposes of company law) are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the Oxford Centre for Hebrew and Jewish Studies state of affairs as at 31 July 1997 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Neulle Russell.

CHARTERED ACCOUNTANTS
And Registered Auditors

St. Thomas House
6 Becket Street
Oxford
OX1 1PP

DATE. *27 May 1998*

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 1997**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 1997 £	Total 1996 £
Incoming Resources						
Donations and gifts		1,343,940	1,045,008	296,010	2,684,958	1,280,908
Less: Deferred income		-	(483,692)	-	(483,692)	(146,028)
Investment income		20,788	70,727	-	91,515	79,476
Other income		118,529	-	-	118,529	59,947
Total Incoming Resources	2	1,483,257	632,043	296,010	2,411,310	1,274,303
Resources expended						
Direct Charitable Expenditure:						
Academic expenses		87,908	67,932	-	155,840	163,110
Academic remuneration		10,609	399,686	-	410,295	373,288
Diploma Programme		-	123,280	-	123,280	92,645
Library		-	123,605	-	123,605	87,514
Property and domestic-St Giles'		-	83,174	-	83,174	87,008
Property and domestic-Yarnton		112,802	225,604	-	338,406	285,093
Qumran Project		-	65,164	-	65,164	75,747
Support costs		186,230	-	-	186,230	136,770
		397,549	1,088,445	-	1,485,994	1,301,175
Other expenditure:						
Fundraising and publicity		98,141	-	-	98,141	54,289
Management and administration of the charity		40,600	7,353	-	47,953	49,629
Total Resources Expended	3	536,290	1,095,798	-	1,632,088	1,405,093
Net incoming/(outgoing) Resources before Transfers		946,967	(463,755)	296,010	779,222	(130,790)
Transfers between funds		(452,415)	452,415	-	-	-
Net incoming/(outgoing) Resources		494,552	(11,340)	296,010	779,222	(130,790)
Gains/(Losses) on investment assets:						
Realised		(2,615)	(21,374)	-	(23,989)	27,822
Unrealised		15,829	129,393	-	145,222	(17,579)
Net Movement in Funds		507,766	96,679	296,010	900,455	(120,547)
Fund balances brought forward at 1 August 1996		(606,880)	(26,878)	3,410,047	2,776,289	2,896,836
Fund balances carried forward at 31 July 1997		£(99,114)	£69,801	£3,706,057	£3,676,744	£2,776,289

The notes on pages 10 to 18 form part of these accounts.

**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 1997**

	Note	1997 £	As restated 1996 £
Gross income of continuing operations	2	2,115,300	1,199,303
Total expenditure of continuing operations		(1,632,088)	(1,405,093)
Net Income /(expenditure) for the year before investment asset disposals		483,212	(205,790)
Net (loss)/gain on disposal of fixed asset investments		(23,989)	27,822
Net income/(expenditure) for the year		£459,223	£(177,968)

Total income comprises £1,483,257 of unrestricted funds and £632,043 of restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities ("SOFA") on page 6.

Detailed analyses of the expenditure are provided in the SOFA and Note 3.

Net income before investment asset disposals for the year of £483,212 comprises £946,967 net income of unrestricted funds less £463,755 net expenditure of restricted funds, as shown in the Statement of Financial Activities.

The consolidated Income and Expenditure account does not include the endowment funds or unrealised gains on investments. The consolidated Income and Expenditure Account is derived from the SOFA which, together with the notes to the accounts on pages 10 to 18 provide full information on the movements during the year on all the funds of the group.

As permitted by section 230 Companies Act 1985, the Centre's Income and Expenditure account has not been included in these financial statements. The net income for the year is made up as follows:

	1997 £	As restated 1996 £
The Centre's net income/(net expenditure)	495,268	(175,978)
The Yarnton Trust's net expenditure	(36,045)	(1,990)
Net income/(expenditure) for the year	£459,223	£(177,968)

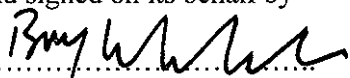
**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JULY 1997**

	1997	1996
	£	£
Net income/(expenditure) for the financial year	459,223	(177,968)
Unrealised gains/(losses) on investments	145,222	(17,579)
Endowment fund income	296,010	75,000
	<hr/>	<hr/>
Total Recognised Gains And Losses Relating To The Year	900,455	£(120,547)
		<hr/>
Prior Year Adjustment	17	(156,535)
	<hr/>	
Total Gains And Losses Recognised Since The Last Annual Report	<hr/>	<hr/>
	£743,920	

BALANCE SHEETS AS AT 31 JULY 1997

	Note	Group		Charity	
		1997	1996	1997	1996
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	7	1,745,001	1,745,001	1,745,001	1,745,001
Investments	8	1,246,709	1,057,791	44,557	-
		<u>2,991,710</u>	<u>2,802,792</u>	<u>1,789,558</u>	<u>1,745,001</u>
Current Assets					
Debtors	9	65,872	118,249	67,011	104,996
CAF Cash on deposit – Endowments		658,579	-	658,579	-
CAF Cash on deposit – Other		332,504	5,000	332,504	5,000
Cash at bank and in hand		142,862	169,285	142,862	133,905
		<u>1,199,817</u>	<u>292,534</u>	<u>1,200,956</u>	<u>243,901</u>
Creditors: amounts falling due within one year	10	(512,672)	(311,861)	(512,672)	(311,861)
Net Current Assets		<u>687,145</u>	<u>(19,327)</u>	<u>688,284</u>	<u>(67,960)</u>
Total Assets less Current Liabilities		3,678,855	2,783,465	2,477,842	1,677,041
Creditors: amounts falling due after more than one year	11	(2,111)	(7,176)	(2,111)	(7,176)
Net Assets		<u>£3,676,744</u>	<u>£2,776,289</u>	<u>£2,475,731</u>	<u>£1,669,865</u>
Capital Funds					
Endowments	12	3,706,057	3,410,047	2,576,057	2,266,747
Income Funds					
Unrestricted	13	(99,114)	(606,880)	(100,326)	(596,882)
Restricted	14	69,801	(26,878)	-	-
		<u>£3,676,744</u>	<u>£2,776,289</u>	<u>£2,475,731</u>	<u>£1,669,865</u>

Approved by the Board of Governors on 27 May 1998
and signed on its behalf by


Dr B M J Wasserstein, Governor and President

The notes on pages 10 to 18 form part of these accounts.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice - "Accounting by Charities".

a) Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of fixed asset investments

b) Income

Income has been credited to the Income and Expenditure account on the following basis:

- Donations received, including any income tax recoverable except for donations given for specific purposes which are carried forward as deferred income and matched with related expenditure;
- Interest accrued for the year;
- Rents receivable for the year.

c) Fixed Assets

Freehold land and buildings are capitalised in the financial statements, but are not depreciated as the buildings are maintained to such a standard that their estimated residual value is not less than their cost.

All other assets are written off to the income and expenditure account in the year of acquisition

d) Investments

Listed investments are stated at market value. Realised and unrealised gains and losses on investment assets are accounted for as part of the related funds.

e) Taxation

The centre is a charitable institution with exemption from taxation under section 505 of the Income and Corporation Taxes Act 1988.

f) Foreign currencies

Donations received in currencies other than sterling have been included at the rates ruling on conversion.

g) Operating leases

Rentals payable under operating leases are charged to the income and expenditure account over the term of the lease.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

h) Finance leases

Assets held under finance leases and the related lease obligations are treated in the same way as other non property assets with the fair value written off to the income and expenditure account in the year of acquisition of the lease.

Charges payable are apportioned between finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

i) Pension costs

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

j) Allocation of costs to direct charitable and other expenditure

Specific items of expenses that relate either to direct charitable or to other expenses are attributed to the appropriate category.

k) Basis of allocation costs between Unrestricted and Restricted Funds

Where costs can be specifically recognised as being unrestricted or restricted they are allocated appropriately. However, costs relating to Fellowships are split 70% to research and 30% to the Diploma Programme as the Fellows teach on the Diploma Programme itself. The accommodation costs relating to Yarnton are charged in equal proportions between Visiting Fellows, the Diploma Programme and general unrestricted funds pro-rata to usage.

2 INCOME

The results for the year are attributable to the principal activity, the advancement of education in the field of Hebrew and Jewish Studies.

**3 ANALYSIS OF TOTAL RESOURCES
EXPENDED**

	Staff Costs	Other	1997 Total
	£	£	£
Direct Charitable Expenditure			
Academic expenses	54,452	101,388	155,840
Academic remuneration	399,687	10,608	410,295
Diploma Programme	58,569	64,711	123,280
Library	65,541	58,064	123,605
Property and domestic - St Giles'	24,267	58,907	83,174
Property and domestic - Yarnton	167,741	170,665	338,406
Qumran Project	-	65,164	65,164
Support Costs	109,159	77,071	186,230
	879,416	606,578	1,485,994
Other Expenditure			
Fundraising and publicity	15,239	82,902	98,141
Management and administration of the charity	-	47,953	47,953
Total	£894,655	£737,433	£1,632,088

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

4 GOVERNORS' REMUNERATION

The President, Dr B M J Wasserstein, has been employed under a service agreement which runs from 1 May 1996 and continues until 30 September 2015.

The total remuneration received by Dr B M J Wasserstein was as follows :

	1997	1996
	£	£
Salary	51,750	25,610
Pension contributions	7,245	3,588
Research Allowance	6,913	-
Relocation costs	-	17,370
Other benefits	1,952	511
	<u>£67,860</u>	<u>£47,079</u>

During the year, expenses amounting to £10,167 (1996 : £2,630) were reimbursed to or paid on behalf of the President.

A pension was paid to the Emeritus President of £10,942 (1996: £10,641). During the year expenses and benefits amounting to £6,640 (1996: £6,090) were reimbursed to or paid on behalf of the Emeritus President.

Professor Martin Goodman received a teaching stipend from the Centre of £2,000. No other Governor received remuneration or expenses during the year.

5 STAFF COSTS

	1997	1996
	£	£
Wages and salaries	780,918	671,707
Social security costs	52,605	49,190
Other pension costs	61,132	54,253
	<u>£894,655</u>	<u>£775,150</u>

The above amounts include Governors' remuneration

The average number of persons, including Governors, employed by the Centre during the year, including those working part-time on a long term basis, were as follows:

	1997		1996	
	Full-time	Part-time	Full-time	Part-time
Academic	15	2	14	-
Library	1	3	2	2
Administration	11	2	11	4
Domestic and Maintenance	4	10	4	12
	<u>31</u>	<u>17</u>	<u>31</u>	<u>18</u>

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

6 CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Net Movement In Funds in the year	£507,766	£96,679	£296,010	£900,455

7 TANGIBLE FIXED ASSETS

	Group and Charity 1997 £		1996 £
Freehold Land and Buildings			
Exeter Farm	375,000		375,000
Ricardo House	370,000		370,000
Yarnton Manor	1,000,000		1,000,000
	<u>1,745,000</u>		<u>1,745,000</u>
Books and Equipment			
Library Collections	1		1
	<u>£1,745,001</u>		<u>£1,745,001</u>

The assets are all used for direct charitable purposes in the advancement of education in the field of Hebrew and Jewish Studies.

Yarnton Manor was purchased during the year ended 31 July 1992 at a cost of £1million from the Charles Wolfson Charitable Trust. The Governors are of the opinion that the price paid was substantially below open market value. The Charles Wolfson Charitable Trust has the right of first refusal if at any time in the period of 50 years ending on 7 May 2042 the Governors of the Centre decide to sell Yarnton Manor. The price to be paid by the Charles Wolfson Charitable Trust will be £1million plus the cost of any additional capital expenditure.

In the event that Yarnton Manor is sold during the 50 year period and the Charles Wolfson Charitable Trust exercises its right under the above agreement, that trust entered into a commitment, which is expressed not to be legally binding, to make a donation to the Centre of one half of any selling price received by the Charles Wolfson Charitable Trust in excess of the re-purchase price paid to the Centre by the Trustees.

Library

The Library Collections have been written down to £1 with all subsequent expenditure written off as incurred. The Governors consider that any revaluation of these assets or any attempt to quantify their value would be misleading.

Equipment

In accordance with the accounting policies of the Centre, fixed assets purchased in the period

were written off.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

31 July 1997

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

8 FIXED ASSETS INVESTMENTS	Group		Charity	
	1997	1996	1997	1996
	£	£	£	£
Market value at 31 July 1997	£1,246,709	£1,057,791	£44,557	£ -
Historical cost at 31 July 1997	£967,346	£1,045,595	£44,557	£ -

The investment carried at £44,557 was donated to the Centre. Subsequent to the balance sheet date it was listed on 5 November 1997 and at that date had a market value of £150,000.

9 DEBTORS – Due within one year	Group		Charity	
	1997	1996	1997	1996
	£	£	£	£
Trade debtors	183	182	183	182
Other debtors	23,474	35,452	24,613	22,199
Prepayments and accrued income	42,215	82,615	42,215	82,615
	£65,872	£118,249	£67,011	£104,996

10 CREDITORS - Amounts falling due within one year	Group		Charity	
	1997	1996	1997	1996
	£	£	£	£
Donor loan	-	111,243	-	111,243
Trade creditors	4,159	7,938	4,159	7,938
Other creditors	11,004	28,889	11,004	28,889
Accruals and income in advance	497,509	163,791	497,509	163,791
	£512,672	£311,861	£512,672	£311,861

11 CREDITORS - Amounts falling due after more than one year	Group		Charity	
	1997	1996	1997	1996
	£	£	£	£
Other creditors	£2,111	£7,176	£2,111	£7,176

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

12 ENDOWMENT FUNDS

	Balance 31 July 1996 £	Incoming Resources £	Balance 31 July 1997 £
Charity			
<i>Permanent Endowments</i>			
<i>Applied for the purchase of property</i>			
Stiftung Benevolus	1,000,000	-	1,000,000
Anonymous	350,000	20,000	370,000
	<u>1,350,000</u>	<u>20,000</u>	<u>1,370,000</u>
<i>Other</i>			
Catherine Lewis and Simon Davis Fund Library	100,000	-	100,000
David Patterson Fellowship in Jewish Law	286,747	-	286,747
Green Fellowship	100,000	-	100,000
Herbert Frankel Scholarship	30,000	-	30,000
Hyman Fellowship	100,000	-	100,000
Jacobs Fellowship	100,000	-	100,000
Mason Lectureship	100,000	-	100,000
Schreiber Fellowship	100,000	-	100,000
Silver Jubilee Appeal:			
- Scholarships	-	256,480	256,480
- Lecture Series	-	19,530	19,530
Goldman Fund	-	13,300	13,300
	<u>916,747</u>	<u>289,310</u>	<u>1,206,057</u>
Total Charity	<u>2,266,747</u>	<u>309,310</u>	<u>2,576,057</u>
The Yarnton Trust:			
-Goldman Fund	13,300	(13,300)	-
-Kennedy Leigh Charitable Trust Fund	100,000	-	100,000
-Leopold Muller Memorial Library Fund	1,000,000	-	1,000,000
-Leslie Paisner Memorial Fund	30,000	-	30,000
	<u>1,143,300</u>	<u>(13,300)</u>	<u>1,130,000</u>
Total Yarnton Trust	<u>1,143,300</u>	<u>(13,300)</u>	<u>1,130,000</u>
Total Group	<u>£3,410,047</u>	<u>£296,010</u>	<u>£3,706,057</u>

This is the first year in which it is required that the financial statements comply with the Statement of Recommended Practice ("SORP") for accounting by charities. The SORP requires charities to present their financial information on a fund by fund basis. In presenting the balance sheet fund by fund, it is apparent that some of the permanent endowment funds given to the Centre have been spent in previous years. The Governors of the Centre have taken legal advice in respect of this matter from their solicitors, Messrs Paisners & Co, who have recommended that these circumstances be referred to the Charity Commission.

Continued/

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

12 ENDOWMENT FUNDS (CONTINUED)

Funds totalling £380,000 were intended to endow Fellowships at the Centre or Scholarships for its students. These funds have in fact been spent in previous years for these purposes. An approach has been made to the Charity Commission for their approval for the release of these funds to general funds, which have borne the costs of the Fellowships and Scholarships. This approval is awaited at the date of this report.

Funds of £207,000 were intended to endow a Lectureship at the Centre. These funds have in fact been spent in previous years on the Centre's general purposes. Subsequent to the year end, the Centre has secured replacement funding amounting to £125,000 and the remaining £82,000 of replacement funding has been secured for payment by 31 July 1999.

As part of the review of the funds, the Goldman Fund which was shown in the accounts of The Yarnton Trust has been transferred to the accounts of the Centre.

The implementation of fundraising and investment policy will be monitored to ensure that the funds are used solely to meet the intentions of the donor.

13 UNRESTRICTED FUNDS

	31 July 1996	Net Incoming Resources	Unrealised and Realised Gains	Transfer from The Yarnton Trust to the Centre	Other Transfers	31 July 1997
	£	£	£	£	£	£
The Charity	(596,882)	947,683	-	1,288	(452,415)	(100,326)
The Yarnton Trust:						
-Goldman Fund	-	-	-	(1,288)	-	(1,288)
-Leslie Paisner Memorial Fund	2,447	(1,406)	4,211			5,252
-Kennedy Leigh Charitable Trust Fund	(12,445)	(1,925)	11,618	-	-	(2,752)
	(9,998)	(3,331)	15,829	(1,288)	-	1,212
Group	£(606,880)	£944,352	£15,829	£-	£(452,415)	£(99,114)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

14 RESTRICTED FUNDS

	31 July 1996	Incoming Resource	Income received in advance	Realised and Unrealised gains	Transfers	Outgoing Resources	31 July 1997
	£		£	£	£	£	£
The Charity							
Diploma Programme Scholarships	-	440,556	(193,663)	-	126,766	(373,659)	-
Fellowships	-	303,529	(134,362)	-	166,830	(335,997)	-
Goldman Fund	-	1,006	-	-	1,280	(2,286)	-
Library Fund	-	135,708	(34,000)	-	21,897	(123,605)	-
Qumran Project	-	65,164	-	-	-	(65,164)	-
Visiting Fellowships	-	173,760	(121,667)	-	135,642	(187,735)	-
	-	1,119,723	(483,692)	-	452,415	(1,088,446)	-
The Yarnton Trust							
- Goldman Fund	(261)	-	-	1,454	-	96	1,289
- Leopold Muller Memorial Library Fund	(26,617)	-	-	106,564	-	(11,435)	68,512
	(26,878)	-	-	108,018	-	(11,339)	69,801
Group	£(26,878)	£1,119,723	(483,692)	£108,018	452,415	£(1,099,785)	£69,801

Diploma Programme Scholarships

This fund represents scholarships received for students studying for the Graduate Diploma in Jewish Studies. Expenses allocated to this fund are those related to the running of the programme.

Fellowships

The money received represents donations to pay for the employment of Centre Fellows.

Goldman Fund

The income relates to money paid by The Yarnton Trust to the Centre in order to run the Goldman Lecture.

Library Fund

This fund represents money donated directly to the Centre for the library and the money paid by The Yarnton Trust from the Leopold Muller Memorial Library Fund.

Qumran Project

The donations received for this fund are used to support Dead Sea Scrolls research and publications.

Visiting Fellowships

The money received represents donations to support visiting fellows to the Centre. Expenses allocated to this fund are those related to the running of the programme.

The Yarnton Trust

This represents the Leopold Muller Memorial Library Fund and the Goldman Fund consolidated within the group accounts

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1997**

15 ANALYSIS OF GROUP

ASSETS	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund Balances at 31 July 1997 are represented by:				
Tangible Fixed Assets	375,001	-	1,370,000	1,745,001
Investments	45,591	57,818	1,143,300	1,246,709
Current Assets	(488,615)	495,675	1,192,757	1,199,817
Current Liabilities	(28,980)	(483,692)	-	(512,672)
Long Term Liabilities	(2,111)	-	-	(2,111)
Total Net Assets	£(99,114)	£69,801	£3,706,057	£3,676,744

**Net unrealised gains included
above**

On Investment Assets	19,048	138,370	-	157,418
Total Unrealised Gains at 31 July 1997	£19,048	£138,370	£-	£157,418

Reconciliation of Movement in Unrealised Gains on Investment Assets

Net unrealised gains at 31 July 1996	1,329	10,867	-	12,196
Add: In respect of disposals in the year	3,315	27,100	-	30,415
	4,644	37,967	-	42,611
Add: Net gain arising on revaluation in the year	12,514	102,293	-	114,807
Net unrealised Gains at 31 July 1997	£17,158	£140,260	£-	£157,418

16 PENSION COMMITMENTS

The Centre contributes to the Universities Superannuation Scheme for academic staff; to the University of Oxford Staff Scheme for administrative and support staff; to individual policies for four individuals; and makes unfunded pension payments to two individuals.

17 PRIOR YEAR ADJUSTMENT

The accounting policy of the Centre in respect of recognition of income has been changed from recognising income when it is received to recognising it when received and carrying forward income to match against related deferred expenditure. This has resulted in £146,028 of income being received in advance in the prior year and being released into the 1997 income. The effect of this (together with a prior year adjustment in the accounts of The Yarnton Trust giving a total adjustment of £156,535) is to increase the consolidated excess of expenditure over income for the year ended 31 July 1996 to £177,968 and to increase creditors at 31 July 1996 to £311,861.