

Charity number: 309720
Company number: 1109384



**OXFORD CENTRE FOR
HEBREW AND JEWISH STUDIES**
A Recognised Independent Centre of the University of Oxford

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2014**

**WENN TOWNSEND
CHARTERED ACCOUNTANTS
OXFORD**

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

Registered in England No: 1109384

Registered Charity No: 309720

US Friends IRS No: 13-2943469

GOVERNORS

The Lord Fink of Northwood (Co-Chairman)
Mr George Pinto (Co-Chairman)
Professor Hugh Williamson (Vice-Chairman)

Professor Martin Goodman, FBA
Field Marshal The Lord Guthrie of
Craigiebank, GCB,LVO,OBE,DL
Dr Sondra Hausner
Professor Jan Joosten
Mr David Joseph, QC

Mr David Lewis
Dr Laurent Mignon
Mr Martin Paisner, CBE
Mr Daniel Patterson
Mr Daniel Peltz
Mr Marc Polonsky

The Rt Hon Sir Bernard Rix
Mr Stuart Roden
Dr Deborah Sandler
Mr Charles Sebag-Montefiore
Mr Michael Ullmann
Ms Anne Webber

EMERITUS GOVERNORS

Mr Martin Blackman
Mrs Elizabeth Corob
Mr Michael Garston, OBE
Sir Richard Greenbury
Mr David Hyman
Professor Alan Jones
The Lord Marks of Broughton

The Lord Moser of Regent's
Park, KCB,CBE
Mr Peter Oppenheimer
Mr Felix Posen
Sir Maurice Shock
Sir Sigmund Sternberg, KCSG, GCFO JP
Mr Dennis Trevelyan, CBE

The Lord Weidenfield of Chelsea,GBE
The Rt Hon The Lord Woolf of
Barnes, PC
The Rt Hon The Lord Young of
Graftam, PC, DL

PRESIDENT

Dr David Ariel
(to 30 June 2014)
Professor Martin Goodman
(from 1 July 2014)

ACTING PRESIDENT

Professor Martin Goodman
(from 1 August 2013 to 30 June 2014)

SECRETARY

Mr Martin Paisner, CBE

ACCOUNTANT

(BURSAR from September 2013)
Mrs Sheila Phillips

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REGISTERED OFFICE

Yarnton Manor
Yarnton
Oxford OX5 1PY
(to 31 August 2014)

Clarendon Institute Building
Walton Street
Oxford OX1 2HG
(from 1 September 2014)

AUDITORS

Wenn Townsend
30 St Giles
Oxford OX1 3LE

INVESTMENT MANAGER

J M Finn & Co
4 Coleman Street
London EC2R 5TA

SOLICITORS

Berwin Leighton Paisner
Bouverie House
154 Fleet Street
London EC41 2JD

Blake Morgan
Seacourt Tower
West Way
Oxford OX2 OFB

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OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014

The Governors present their report and the financial statements for the year ended 31 July 2014.

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. The Centre is sometimes referred to as the "Charity" in the accounts. A full review of the Centre's activities setting out the achievements of the Centre in meeting its objectives is contained in the separately published academic report for the academic year ended 30 September 2014.

Organisational and decision-making structure

All major decisions of the Centre are authorised by its Board of Governors which meets not less than 3 times each year. Other main decision making committees, which all report to the Board of Governors, are the Academic Council and the Fundraising, Investment and Library Committees.

Charitable status and associated Charity

The Centre is a registered charity in England and has no liability to corporation tax on its charitable activities. The Centre is administered under its Memorandum and Articles of Association. 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 Charity must be applied solely towards the promotion of the objectives of the Centre.

Accounting for The Yarnton Trust is included within the Centre's financial statements as authorised by the Uniting Direction dated 22 May 2008; however, the value of the individual funds within the Trust are detailed in the Notes to the Accounts (note 15).

Operating locations

The location of the Centre's activities changed on 1 September 2014. During the year to 31 July 2014, the full-time fellows taught and carried out research at the Hebrew and Jewish Studies Unit of the University of Oxford ('the Unit') in the Oriental Institute building in the centre of Oxford. At the Yarnton Manor campus, four miles from the centre of Oxford, accommodation, the Centre's major research library and teaching and administrative support were provided for the Centre's fellows and other teachers, visiting scholars and students. Numerous related academic activities occurred during the year at both locations, including seminars, lectures and conferences. On 1 September 2014, the Centre's operations in the Oriental Institute and in Yarnton were brought together in the Clarendon Institute Building in central Oxford. The Looted Art Research Unit was located during the year to 31 July 2014 in London, and its operating location has remained unchanged.

Investment powers

Under paragraph 10 of the Memorandum of Association, the Centre has the power to invest money, not immediately required for its purposes, in or upon such investments, securities or property as the Governors think fit.

Financial review

A statement of financial activities ("SOFA") for the year has been produced on page 9, showing movements on unrestricted, designated, restricted and endowment funds. The deficit for the year, shown on page 10 was £(837,402) (2013: £339,952). Funds at the end of the year were £9,935,705 (2013: £10,672,808), a decrease of £737,103 in the year.

Funds and reserves policy

In accordance with the relevant SORP, the Centre's funds are shown in the SOFA and on the balance sheet.

The Governors aim to build up the Centre's endowment reserves in order to produce an increase in regular income for the continuing support of operating activities.

At 31 July 2014, the Centre had a deficit on unrestricted reserves of £1,375,923 (2013: £555,315). Notes 22 and 23 of the Notes to the Accounts explain the action taken by the Governors in September 2014, which has cleared the deficit. (See Post Balance Sheet Event on page 6).

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014 (Continued)

Fund-raising activities

The Centre received donations of £417,154 (2013: £807,065) during the year. The reduction is attributable to a considerable extent to the time needed for the sale of Yarnton Manor and the relocation planning which detracted from fundraising efforts.

£20,000 was received for investment in endowment funds in respect of the Alfred and Rachel Memorial Lecture Fund.

Risk review

The Centre carries out an annual assessment of major risks which are reviewed periodically by a committee of Governors. In the view of the Governors, risk management and internal controls are appropriate for the Centre's activities.

Strategic objectives

The Centre is a Recognised Independent Centre of the University of Oxford, and its academic strategy is aligned with the mission, purpose, standards and traditions of the University of Oxford.

The development of Jewish studies at the University of Oxford is the responsibility of the Centre which provides teaching for most of the Hebrew and Jewish studies at the University.

The Centre is dedicated to the highest standards of academic excellence; devoted to the advancement of knowledge through research, scholarship, publication, teaching and service to the profession; and committed to the dissemination of knowledge for the greater good of society.

The Leopold Muller Memorial Library augments the resources of the Bodleian Library by serving as a major repository of books and materials relating to Jewish studies.

The Board of Governors exercises its responsibilities of financial oversight, establishing policies, engaging in strategic planning, representing the institution to outside constituencies, contributing to and/or helping fundraising and providing expertise in areas needed by the Centre.

The Centre has devoted considerable effort to consolidating its financial position and academic activities through its relocation to the Clarendon Institute Building, which have brought its research and teaching activities together in one place and greatly reduced costs for non-academic activities.

Objectives of the Charity and activities for the public benefit

The Centre is devoted to the study of Hebrew and other Jewish languages and literatures, and to Jewish thought, history, culture and society in all periods.

The Centre's research activities aim to give the scholarly world and the general public a better understanding of Jewish issues.

The Centre fulfils a wide range of teaching responsibilities. Its fellows provide teaching for all degrees in Hebrew and Jewish Studies at the University of Oxford. In the year to 31 July 2014, the Centre was wholly responsible for the teaching and administration of the Oxford University MSt in Jewish Studies. Students from many countries and every continent come to the Centre to learn Hebrew and Yiddish and to gain knowledge of Jewish culture. All University courses taught by the Centre's teaching staff are open to all who meet the admission requirements, which are based on scholarly attainment and potential, and various bursaries are available from the Centre for the MSt in Jewish Studies.

The Centre also holds lectures, symposiums and conferences, most of which are not limited to members of the University.

As the foremost institution of its kind in Europe, the Centre fulfils an international role. It has forged close relationships with universities and research bodies in many other countries.

The Centre's library is one of the most important open shelf research facilities in Europe in the field of Jewish studies, and the Centre has become an established meeting point for scholars from across the world.

The Centre also hosts the Central Registry of Information on Looted Cultural Property 1933-1945. The Commission for Looted Art, based in London, is gathering data on objects plundered by Nazis and others.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014 (Continued)

Objective of the Charity and activities for the public benefit (continued)

The Centre is committed to making its research findings in Jewish history, languages, literature and culture available to the general public by all available means.

At a meeting of the Board of Governors in December 2013, it was agreed to add to the objectives of the charity the preservation of archive material related to Hebrew and Jewish studies. The addition of clause (2) was approved as follows:

"The objects for which the Centre is established are the advancement of education in the field of Hebrew and Jewish studies, which expression shall in these objects be deemed to include studies of the Hebrew language, Hebrew literature and subjects which are, in the opinion of the Board of Governors, ancillary thereto and in connection therewith (1) to provide or assist in the provision of a Centre and facilities for post-graduate research in Hebrew and Jewish Studies and translation of Hebrew and other works and (2) **to preserve for the public benefit archives and other collections of an educational nature in the field of Hebrew and Jewish Studies**".

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Centre's aims and objectives and in implementing and planning current and future activities.

Relocation of the Centre's activities

After forty years with research activities and administration based on the Yarnton Manor estate, four miles outside Oxford, the Governors decided at their meeting in July 2013 that the OCHJS could fulfil its charitable functions for the promotion of Hebrew and Jewish Studies more effectively by moving into accommodation in central Oxford owned by the University of Oxford. Sale of the Yarnton property, completed on 10 September 2014, has much reduced the operating costs of the Centre. The proceeds of the sale have been invested and the income from these investments will be sufficient for the Centre to carry out all its current programmes without recourse to extensive annual fundraising to cover operating costs. Future major fundraising will instead be for specific and fully-funded research projects and posts and programmes for outreach to the wider public.

The Centre was founded in 1972 in the Oriental Institute in central Oxford. In 1974 the Charles Wolfson Charitable Trust purchased the Yarnton Manor estate and leased it to the Centre at a nominal rent. In 1991, the Centre bought the estate from the Trust for £1m, subject to a pre-emption clause. However, it was agreed in November 2013 not to exercise this pre-emption clause and instead to allow the Centre to retain considerably more than half the sum realised by the sale of the estate over and above the £1m originally paid and the cost of additions by the Centre.

The Governors wish to express their gratitude for all the help the Centre has received from the Charles Wolfson Charitable Trust as this enabled the Centre to establish itself firmly more quickly.

The scholarly activities in Yarnton, including the Leopold Muller Memorial Library and the Oxford Seminars for Advanced Jewish Studies, which have established the OCHJS as an institution with a reputation for the promotion of academic excellence both internationally in the field of Hebrew and Jewish Studies and locally in the University of Oxford, were all relocated in September 2014 to the Clarendon Institute Building in central Oxford, bringing the Centre's research activities together with its teaching activities and enabling greater integration of the Centre's academic activities into the University of Oxford. At the same time, the realisation of capital together with reduction in expenditure is enabling the Centre to operate on a more sustainable basis.

Within the Clarendon Institute Building in central Oxford, 244 sq. m. of office space has been provided to the Centre by the University in fulfilment of the 1999 agreement between the Centre and the University, which requires the University to provide to Hebrew and Jewish Studies this amount of office space in central Oxford in return for the benefaction for £750,000 donated by the Centre to the University to add an extra floor to the Oriental Institute building. Almost all the teaching staff of the Centre previously housed in the Oriental Institute have been relocated from the Oriental Institute to the Clarendon Institute Building. The Centre has undertaken to cover the space charges (calculated at the same rate as for University departments) incurred for the rest of the building space it occupies in the Clarendon Building for academic and administrative purposes.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014 (Continued)

Relocation (continued)

In a separate agreement, the Centre has agreed to cover the space charges and operating costs incurred by the Bodleian Libraries for managing the Leopold Muller Memorial Library, of which the main holdings have been relocated to the library space in the Clarendon Institute Building in order to be immediately accessible for the Centre's research and teaching operations, with the special collections material relocated to be made accessible to readers in the Bodleian's new Weston Library alongside the special collections in Hebraica and Judaica owned by the Bodleian.

The Yarnton Manor estate was put up for sale in March 2014 and the sale was completed in September 2014.

After professional fees, relocation costs (including the costs of redundancy payments to staff no longer required as a result of the move from Yarnton), the repayment of loans, and the transfer of a proportion of the sale proceeds to the Charles Wolfson Charitable Trust's assignee this resulted in the Centre receiving £6m most of which has been placed with investment managers and the balance used to clear the Centre's deficit.

Governors' responsibilities

The Governors (who are also directors of the Centre for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 incoming resources and application of resources, including income and expenditure, of the Centre for the year. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 a going concern basis unless it is inappropriate to presume that the Centre will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Centre 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 Centre and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Centre's Governors are aware:

- there is no relevant audit information of which the Centre's auditors are unaware; and

- as the Governors of the Centre, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Centre's auditors are aware of that information.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014 (Continued)

Investment funds

The Centre's investments comprise securities, property and loans. Investment Managers are J M Finn & Co.

1. Securities : Endowment Portfolios, Valuations at 31 July 2014

Expendable Funds -	The MCA Fund	£4,020,434	(2013: £3,912,636)
(and partly expendable)	The Yarnton Trust (Muller)	£1,206,281	(2013: £1,176,205)
Permanent Funds -	OCHJS	£923,891	(2013: £912,739)
	The Yarnton Trust	£573,190	(2013: £559,430)
Miscellaneous -	The Polonsky Foundation	£605,842	(2013: £693,544)
	The Lectures Fund (DP lectures)	£49,406	(2013: £ 51,754)
	(Lehmann)	£43,288	(2013: £0)

An increase in the Lectures Fund during the year is due to the creation of the Alfred and Rachel Lehmann Memorial Lecture Fund. Investment in the fund comprises £25,000 from existing funds originally donated by Alfred Lehmann in 2006 plus two new donations amounting to £20,000.

2. Property : Permanent Endowment- property investment

Manor Farm cottages	£650,000	(2013: £650,000)
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3. Interfund Loans

At 31 July 2014, the Centre had paid the fourth annual instalment of £80,000 in respect of a loan of £800,000 obtained in 2009/10 from the MCA Fund. The amount outstanding at 31 July 2014 was £480,000.

In addition, the MCA Fund lent the proceeds of the sale of Perry Orchard (an MCA Fund property investment) which was completed on 1 August 2013. The sale price was £640,000 and after payment of legal and other fees the sum of £619,101 was lent to the Centre for operational expenditure. It was agreed that interest should be paid to the MCA fund until the loan was repaid.

Both loans were repaid to the MCA Fund following completion of the sale of the Yarnton Manor estate on 10 September 2014.

Directors and Governors

The Governors (who are also directors of the Charitable Company) set out below have held office for the whole of the period from 1 August 2013 to the date of this report, unless otherwise stated. In accordance with the Articles of Association, Sir Bernard Rix and Mr Stuart Roden resign and being eligible offer themselves for re-election.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2014 (Continued)

Directors and Governors (continued)

The Lord Fink of Northwood (Co-Chairman)
Mr George Pinto (Co-Chairman)
Professor Hugh Williamson (Vice-Chairman)
Dr David Ariel (President, on sabbatical to 30 June 2014)
Professor Martin Goodman (Acting President, to 30 June 2014; President from 1 July 2014)
Field Marshall The Lord Guthrie of Craigiebank
Dr Sondra Hausner
Mr David Joseph
Mr David Lewis
Dr Laurent Mignon
Mr Martin Paisner
Mr Daniel Patterson
Mr Daniel Peltz
Mr Marc Polonsky
The Rt Hon Sir Bernard Rix
Mr Stuart Roden
Dr Deborah Sandler
Mr Charles Sebag-Montefiore
Mr Michael Ullmann
Ms Anne Webber

Appointment of University Board Governors

The following bodies have the power to appoint members of the Board of Governors in accordance with the Articles of Association:

The Humanities Board of the University of Oxford (two members). The appointees on 1 August 2013 were Dr Sondra Hausner and Professor Hugh Williamson. Professor Williamson ceased to be an appointee of the Humanities Board on 30 September 2014 and was elected by the Governors of OCHJS to membership of the Board of Governors in his own right from 1 October 2014.

The Oriental Studies Board of the University of Oxford (two members). The appointees on 1 August 2013 were Professor Martin Goodman and Dr Laurent Mignon. Professor Martin Goodman ceased to be an appointee of the Oriental Studies Board on 1 July 2014 when appointed President of OCHJS. The Oriental Studies Board appointed Professor Jan Joosten to the OCHJS Board on 16 October 2014.

Governor Appointments, Induction and Training

Governors are also Trustees of the Charity. Appointments are made by the Board giving proper regard to the range of skills and experience needed to govern the Charity. On appointment, Governors are provided with copies of the Centre's governing documents, annual reports and other current relevant material. Ongoing legal, investment and other advice is thereafter provided to Governors as appropriate.

Post Balance Sheet Event

The sale of the Yarnton Manor estate was completed on 10 September 2014. The consideration was £8.3m which, after payment of fees, as explained above in the last paragraph of Relocation, resulted in the Centre receiving £6m net.

Auditors

Wenn Townsend have signified their willingness to continue in office as the Centre's auditors and a resolution proposing their reappointment will be put forward at the forthcoming Annual General Meeting of the Centre.

Approved by the Board of Governors on 8 December 2014 and signed on its behalf by


.....
Professor Martin Goodman, President

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

We have audited the financial statements of Oxford Centre for Hebrew and Jewish Studies (the "Centre") for the year ended 31 July 2014 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Centre's Governors, 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 Centre's Governors 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 Centre and the Centre's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and Auditors

As explained more fully in the statement of Governors' Responsibilities set out on page 4, the Governors (who are also the directors of the Centre 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Centre's affairs as at 31 July 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS OF
THE OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES (continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' 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 take advantage of the small companies' exemption in preparing the Trustees' Annual Report.



**Ajay Bahl BA FCA (Senior Statutory Auditor)
for and on behalf of Wenn Townsend
Chartered Accountants and Statutory Auditor
Oxford**

9 December 2014

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2014

	Note	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Income							
<i>Incoming resources from generated funds</i>							
Voluntary income	2.1	113,650	5,000	298,504	-	417,154	807,065
<i>Activities for generating funds</i>	2.2	32,263	-	-	-	32,263	35,221
<i>Investment income</i>	2.3	376	-	864	383,239	384,479	382,657
<i>Incoming resources from charitable activities</i>	2.4	117,859	83,848	496,524	-	698,231	591,751
Total incoming resources		264,148	88,848	795,892	383,239	1,532,127	1,816,694
Resources expended							
<i>Cost of generating funds</i>							
	3	92,253	-	-	43,526	135,779	288,728
<i>Charitable activities</i>	4	1,027,451	78,685	983,386	-	2,089,522	1,762,383
<i>Governance costs</i>	5	142,720	-	34	-	142,754	101,861
Total resources expended		1,262,424	78,685	983,420	43,526	2,368,055	2,152,972
Net (outgoing)/incoming resources before transfers		(998,276)	10,163	(187,528)	339,713	(835,928)	(336,278)
Net transfers between funds	15 / 19	177,668	(11,748)	172,319	(338,239)	-	-
Net (outgoing)/incoming resources before revaluations and investment asset disposals		(820,608)	(1,585)	(15,209)	1,474	(835,928)	(336,278)
Fixed assets – gain on disposal		-	-	-	54,101	54,101	546,811
Fixed asset investments net realised gains/(losses)	11	-	-	-	89	89	(11,386)
Fixed asset investments net unrealised gains/(losses)	11	-	-	-	44,635	44,635	913,699
Net movement in funds for the year		(820,608)	(1,585)	(15,209)	100,299	(737,103)	1,112,846
Fund balances at 1 August 2013		(555,315)	66,468	293,155	10,868,500	10,672,808	9,559,962
Fund balances at 31 July 2014		(1,375,923)	64,883	277,946	10,968,799	9,935,705	10,672,808

The notes on pages 13 to 28 form part of these accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2014

	2014 £	2013 £
Gross income from continuing operations – unrestricted, restricted and designated funds	1,148,888	1,436,728
Transfer from endowment funds	338,239	1,013,585
Total expenditure of continuing operations	<u>(2,324,529)</u>	<u>(2,110,361)</u>
Total net income/(expenditure) for the year	<u>(837,402)</u>	<u>339,952</u>

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2014

	2014 £	2013 £
Net income/(expenditure) from Income and Expenditure account (as above)	(837,402)	339,952
Capital increases/(decreases) in endowment funds	1,474	(676,230)
Net realised gains/(losses) on endowment fund investment	54,190	535,425
Total realised net gains/(losses) for the year	<u>(781,738)</u>	<u>199,147</u>
Net unrealised gains/(losses) on endowment fund investments	44,635	913,699
Total recognised net gains/(losses) for the year	<u>(737,103)</u>	<u>1,112,846</u>

The notes on pages 13 to 28 form part of these consolidated accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

BALANCE SHEET AS AT 31 JULY 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9	2,538,924		2,538,924	
Investment property	10	650,000		1,215,000	
Investments	11	7,438,919		7,312,719	
			10,627,843		11,066,643
Current assets					
Debtors – falling due within one year	12	55,016		101,512	
Bank deposit – general		258,311		327,493	
			313,327		429,005
Current liabilities					
Creditors – falling due within one year	13	(631,538)		(444,613)	
Bank overdraft	13	(227,453)		(198,483)	
			(858,991)		(643,096)
Net current liabilities			(545,664)		(214,091)
Total assets less current liabilities			10,082,179		10,852,552
Creditors – falling due after more than one year	14		(146,474)		(179,744)
Net assets			9,935,705		10,672,808
Capital funds					
Endowments	15		10,968,799		10,868,500
Income funds					
Unrestricted	16		(1,375,923)		(555,315)
Designated	17		64,883		66,468
Restricted	18		277,946		293,155
			9,935,705		10,672,808

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Governors and signed on its behalf on 8 December 2014


 Professor Martin Goodman, President

The notes on pages 13 to 28 form part of these accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

RECONCILIATION OF FUNDS
FOR THE YEAR ENDED 31 JULY 2014

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
At 1 August 2013	(555,315)	66,468	293,155	10,868,500	10,672,808	9,559,962
Movements in year	(820,608)	(1,585)	(15,209)	100,299	(737,103)	1,112,846
At 31 July 2014	(1,375,923)	64,883	277,946	10,968,799	9,935,705	10,672,808
Represented by:						
Fixed assets	751,731	-	-	1,787,193	2,538,924	2,538,925
Endowment property	-	-	-	650,000	650,000	1,215,000
Investments	-	-	-	7,438,919	7,438,919	7,312,719
Debtors	55,016	-	-	-	55,016	101,512
Bank deposit	(316,389)	64,883	509,817	-	258,311	327,493
Creditors	(239,727)	-	(85,397)	(6,414)	(331,538)	(342,614)
Bank overdraft	(227,453)	-	-	-	(227,453)	(198,483)
Long term liabilities	-	-	(146,474)	-	(146,474)	(179,744)
Inter-fund loan (*)	(480,000)	-	-	480,000	-	-
Property loan	(619,101)	-	-	619,101	-	-
Short term loan	(300,000)	-	-	-	(300,000)	(102,000)
	(1,375,923)	64,883	277,946	10,968,799	9,935,705	10,672,808

(*) As agreed with the Charity Commission, £800,000 was borrowed from the MCA endowment fund to be repaid at £80,000 per annum over ten years. Following the sale of the Yarnton Manor estate both loans, £480,000 and £619,101, were repaid to the MCA endowment fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting Standards, the Statement of Recommended Practice - Accounting and Reporting by Charities ("SORP 2005"), the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

(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 and dividends are recognised on a receivable basis and include any income tax recoverable;
- Unrestricted income allocated for a specific purpose by the Centre is treated as a designated fund;
- Donations received for specific purposes and not yet due to be spent, are carried forward as deferred income and matched with related expenditure;
- Interest and rents are recognised on an accruals basis.

(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 carrying value. An annual impairment review is carried out by the Governors to ensure that this continues to be the case.

Equipment with a value greater than £1,000 is capitalised. Depreciation is provided on a straightline basis at a rate of 25% per annum on the cost less residual value of each asset.

(d) Investments

Listed investments are stated at open market value. Net realised and unrealised gains and losses on investment assets are accounted for as part of the related funds when they occur, the calculation having been based on open market value.

(e) Taxation

The Centre is a charitable institution with exemption from taxation on its charitable activities 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 obtained on conversion.

(g) Operating leases

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

(h) Pension costs

The institution participates in the Universities Superannuation Scheme ("USS"), a defined benefit scheme which is contracted out of the State Second Pension ("S2P"). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Income and Expenditure account represents the contributions payable to the scheme in respect of the accounting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

1 **Accounting policies (continued)**

(i) **Allocation of costs to Resources Expended**

Specific items of expenses are attributed to the appropriate category:

- cost of generating funds being the costs associated with generating incoming resources from all sources other than undertaking charitable activities;
- charitable activities being the resources applied by the Centre in undertaking its work to meet its charitable objectives;
- governance costs being costs that relate to the general running of the Charity and are primarily associated with constitutional and statutory requirements;
- support costs which are allocated to activity cost categories on a consistent basis, e.g. staff costs by the time spent and other costs by their usage.

(j) **Basis of allocation of costs between Unrestricted and Restricted Funds**

Costs are specifically recognised as being for unrestricted or restricted purposes and are allocated accordingly.

(k) **Fund accounting**

Funds held by the Charity are:

- unrestricted general funds which can be used in accordance with the charitable objects at the discretion of the Governors;
- designated funds which are funds set aside by the Governors out of unrestricted general funds for specific future purposes or projects;
- restricted funds which can only be used within the objects of the Charity as specified by the donor for the particular restricted purposes for which they are raised.
- endowment funds which are capital funds where, apart from endowments expendable in part or in whole (some of which are subject to restrictions on how much capital may be spent on an unrestricted basis), there is normally no power to spend the capital as if it was unrestricted income.

Further explanation of the nature and purpose of the funds is included, where practicable, in the notes to the financial statements.

(l) **Gifts in kind**

Properties, investments and other fixed assets donated to the Charity are included as donation income at market value at the time of receipt.

(m) **Going concern**

The accounts of the Centre are prepared on a going concern basis. In September 2014, the Centre completed the sale of Yarnton Manor estate. The sale enabled the Centre to clear its unrestricted deficit. The Centre's cashflow forecasts predict that it will have sufficient funds to finance the revised operations of the Centre. Further details are given in note 22.

2. **Income**

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

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

2.1 Voluntary income comprises

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Donations	113,650	5,000	298,504	-	417,154	790,840
40th Anniversary Dinner	-	-	-	-	-	16,225
	113,650	5,000	298,504	-	417,154	807,065

Reconciliation of voluntary income received in the year

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Total income received in year	113,650	5,000	209,229	-	327,879	709,815
Released from earlier years (note 13)	-	-	117,900	-	117,900	161,750
Amounts received in advance (note 14)	-	-	(28,265)	-	(28,265)	(64,500)
	113,650	5,000	298,864	-	417,514	807,065

2.2 Activities for generating funds

These activities include hire of premises and accommodation, charges for minibus usage, photocopying and other office costs.

2.3 Investment income

Investment income comprises

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Dividends and interest	376	-	864	338,037	339,277	326,582
Income from properties	-	-	-	45,202	45,202	56,075
	376	-	864	383,239	384,479	382,657

2.4 Incoming resources from charitable activities

Total	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Conferences, student fees, accommodation and library funding	117,859	15,560	351,035	-	484,454	399,412
Looted Art Research Unit	-	-	145,489	-	145,489	126,906
Journal of Jewish Studies	-	68,288	-	-	68,288	65,433
	117,859	83,848	496,524	-	698,231	591,751

3 Costs of generating funds

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Advertising and fundraising	47,178	-	-	-	47,178	131,225
Fundraising events	-	-	-	-	-	13,225
Postage and stationery	8,711	-	-	-	8,711	11,992
Printing	9,314	-	-	-	9,314	9,710
Support costs	27,050	-	-	-	27,050	79,965
	92,253	-	-	-	92,253	246,117
Investment management						
Investment management fees	-	-	-	43,526	43,526	42,611
	92,253	-	-	43,526	135,779	288,728

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

4 Charitable activities	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Academic	459,153	69,824	430,893	-	959,870	719,846
Yarnton Manor Estate facilities	440,589	2,545	76,536	-	519,670	443,717
Master of Jewish Studies degree	62	49	259,327	-	259,438	290,710
Library	104,962	6,267	56,144	-	167,373	137,634
Looted Art Research Unit	-	-	145,530	-	145,530	138,806
Hebrew and Jewish Studies Unit	22,685	-	-	-	22,685	26,933
IHPS (lectures)	-	-	13,867	-	13,867	2,693
APJ (Assoc for Philosophy Judaism)	-	-	1,089	-	1,089	2,044
	1,027,451	78,685	983,386	-	2,089,522	1,762,383

5 Governance costs	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2014 £	Total 2013 £
Finance charges	20,055	-	-	-	20,055	18,626
Professional charges	85,503	-	34	-	85,537	28,661
	105,558	-	34	-	105,592	47,287
Internal governance costs	37,162	-	-	-	37,162	54,574
	142,720	-	34	-	142,754	101,861

Professional charges include audit fees of £10,400 (2013: £10,000).

6 Further analysis of total resources expended, between staff and other costs	Staff costs £	Other costs £	Total 2014 £	Total 2013 £
Costs of generating funds	20,224	115,555	135,779	288,728
Charitable activities				
Academic	433,104	526,766	959,870	719,846
Yarnton Manor Estate Facilities	256,885	262,785	519,670	443,717
Master of Jewish Studies Degree	48,956	210,482	259,438	290,710
Library	116,815	50,558	167,373	137,634
Looted Art Research Unit	92,440	53,090	145,530	138,806
Hebrew and Jewish Studies Unit	5,461	17,224	22,685	26,933
IHPS, lecture series	-	13,867	13,867	2,693
APJ (Assoc for Philosophy of Judaism)	-	1,089	1,089	2,044
	953,661	1,135,861	2,089,522	1,762,383
Governance costs				
Finance and professional charges	-	105,592	105,592	47,287
Internal governance costs	30,336	6,826	37,162	54,574
	30,336	112,418	142,754	101,861
	1,004,221	1,363,834	2,368,055	2,152,972

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

7 **Governors' remuneration**

The President	2014 £	2013 £
Salary (excluding employer's national insurance)	78,857	78,833
Bonus	-	20,000
Employer's national insurance contributions	14,348	13,461
Personal pension	4,930	6,268
Other benefits	22,233	8,601
	120,367	127,163

Expenses of £24,255 (2013: £17,080) were reimbursed to or paid on behalf of the President.

Acting President

Professor M Goodman is a Fellow and Governor. He received a teaching stipend from the Centre of £2,000 (2013: £2,000) and was reimbursed £600 (2013: £306) for expenses incurred on behalf of the Centre.

A payment of £30,000 was made to Professor Goodman in respect of his role as Acting President for the period.

New appointment: President with effect from 1 July 2014

Professor M Goodman was appointed part-time President of the Centre with effect from 1 July 2014 and was paid a salary of £2,500 for the month of July 2014.

Other Governors

Ms A Webber, a Governor of the Centre, received £32,000 to manage the Looted Art Project and was reimbursed travel expenses of £522 (2013: £6,410).

No other Governor received remuneration or expenses from the Centre during the year.

The cost of Professional Indemnity, Governors' and Officers' Liability and Fidelity Guarantee insurance for the year is included in the total premium for the Fidelity Guarantee Policy, which also includes all staff, and is £2,034 (2013: £2,034).

8 **Staff costs**

	2014 £	2013 £
Wages and salaries	837,887	814,211
Redundancy	89,916	-
Social security costs	65,654	63,374
Other pension contributions	103,180	102,930
	1,096,637	980,515

The above amounts include Governors' remuneration. Staff costs include accrued salary costs of £2,500 and a redundancy provision of £89,916.

There were no employees earning over £60,000 per annum.

Research stipends of £43,015 (2013: £32,814) were paid to visiting academics.

Salary grants of £235,267 (2013: £166,355) were paid to the University of Oxford which remunerated six of the Centre's Fellows, (none of whom were Governors during the period).

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:

	2014		2013	
	Full-time	Part-time	Full-time	Part-time
Academic	5	5	6	5
Library	1	4	-	4
Administration	8	4	9	4
Domestic and maintenance	6	4	5	5
	20	17	20	18

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

9 Tangible fixed assets

	2014 £	2013 £
Freehold land and buildings at 1 August 2013		
Manor Farm - land	445,672	485,000
Manor Farm - buildings	751,731	751,731
	<u>1,197,403</u>	<u>1,236,731</u>
 Yarnton Manor Estate		
- Yarnton Manor	971,520	1,000,000
- Ricardo House	370,000	370,000
	<u>1,341,520</u>	<u>1,370,000</u>
Disposals		
Manor Farmland	-	(39,328)
Yarnton Manor	-	(28,480)
	<u>-</u>	<u>(67,808)</u>
 Freehold land and buildings at 31 July 2014	<u>-</u>	<u>2,538,923</u>
 Books and equipment		
Library collections	1	1
	<u>2,538,924</u>	<u>2,538,924</u>

The assets are all used for the furtherance of the charity's objects in the advancement of education in the field of Hebrew and Jewish Studies.

Yarnton Manor Estate, including Manor Farm

In March 2014 most of the Yarnton Manor estate was put up for sale with the aim of providing substantial endowment investment to support the academic activities, outreach and general running costs of the Centre for future years.

The sale attracted many viewers and potential buyers. A firm offer to purchase the estate was secured in August 2014 and the sale was completed on 10 September 2014.

On 1 September 2014, the Centre relocated its operations to University of Oxford offices in central Oxford.

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, as much of it is irreplaceable. The insured value of the library is £5,659,268.

Equipment

In accordance with the accounting policies of the Centre, fixed assets purchased in the period were written down to zero.

Impairment review

In the opinion of the Governors, there have not been any events or changes in market value to indicate that the value of fixed assets have suffered impairment during the year.

Insured value

The total sum insured of the assets of the group, which are used to promote the objectives of the Charity, at 31 July 2014 is £27,263,168 (2013: £26,966,707).

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

10 Other tangible fixed assets – endowment properties

	2014 £	2013 £
Perry Orchard	-	565,000
Manor Farm, Phase 2	650,000	650,000
	<u>650,000</u>	<u>1,215,000</u>

The sale of Perry Orchard was completed on 1 August 2013 for £619,101 net of costs.

11 Movement in fixed asset investments

	2014 £
Market value at 1 August 2013	7,312,719
Additions	1,558,570
Disposals	(1,541,683)
Change in cash held by investment managers	64,589
Realised net gains/(losses)	89
Unrealised net gains/(losses)	44,635
Market value at 31 July 2014	<u>7,438,919</u>

Included above are the following investment assets:

	2014 £	2013 £
Investment assets inside the United Kingdom	6,350,393	6,368,615
Investment assets outside the United Kingdom	1,088,526	944,104
	<u>7,438,919</u>	<u>7,312,719</u>

12 Debtors
Due within one year

	2014 £	2013 £
Debtors	19,447	14,016
Prepayments and accrued income	35,569	87,496
	<u>55,016</u>	<u>101,512</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

13	Creditors		
	Due within one year:		
		2014	2013
		£	£
	Creditors - suppliers	13,589	30,291
	Other creditors – taxation and social security	31,663	35,368
	Accruals	204,264	62,131
	Payments received in advance	62,853	77,754
	Deferred income	19,169	137,069
		<hr/>	<hr/>
	Loans	331,538	342,613
	Bank overdraft	300,000	102,000
		227,453	198,483
		<hr/>	<hr/>
		858,991	643,096
		<hr/> <hr/>	<hr/> <hr/>

The bank overdraft was secured on the land on the North and South of Yarnton Manor House, Church Lane, Yarnton.

Deferred income funds – movement in year

	Fellowships	Conferences/ Lectures	Total
	£	£	£
Opening balance at 1 August 2013	137,069	-	137,069
Released during the year	(117,900)	-	(117,900)
Closing balance at 31 July 2014	<hr/> 19,169 <hr/>	<hr/> - <hr/>	<hr/> 19,169 <hr/>

14	Creditors		
	Due after one year:		
	The Sidney Brichto Fellowship in Israel Studies		
		2014	2013
		£	£
	Opening balance	179,744	165,244
	Donations received (including gift aid)	28,958	64,500
	Transferred to amounts due within one year (see note 13)	(62,228)	(50,000)
		<hr/>	<hr/>
	Donations received (including gift aid)	146,464	179,744
		<hr/>	<hr/>
	Total donations pledged but not yet received	116,750	195,434
		<hr/>	<hr/>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

15 Endowment Funds	Balance 31 July 2013	Management fees/ agent's and legal fees	Sale of property/ loan repayment	Net Incoming Resources	Reallocated to Income & Expenditure <i>Unrestricted</i>	Reallocated to Income & Expenditure <i>Restricted</i>	Net Realised Gains/Losses for the year	Net Unrealised Gains/Losses for the year	Balance 31 July 2014
	£	£	£	£	£	£	£	£	£
CHARITY									
Expendable endowments									
Applied for the purchase of property									
Stiftung Benevolus	971,520	-	-	-	-	-	-	-	971,520
Anonymous	370,000	-	-	-	-	-	-	-	370,000
	1,341,520	-	-	-	-	-	-	-	1,341,520
Gift of land – Manor Farm	445,672	-	-	-	-	-	-	-	445,672
Expendable and partly expendable endowments									
MCA Fund – property investment	565,000	-	(619,101)	-	-	-	54,101	-	-
J M Finn investments: The MCA/Muller Endowments									
MCA Fund – securities	3,912,636	(23,899)	80,000	153,124	(150,624)	(2,500)	36,341	25,356	4,030,434
The Leopold Muller Memorial Library fund (The Yarnton Trust)	1,176,205	(7,139)	-	45,738	-	(45,738)	10,855	26,360	1,206,281
	5,088,841	(31,038)	80,000	198,862	(150,624)	(48,238)	47,196	51,716	5,236,715
Loan									
MCA fund, loan to working capital	-	-	619,101	-	-	-	-	-	619,101
MCA fund, loan to working capital	560,000	-	(80,000)	-	-	-	-	-	480,000
The Polonsky Foundation, equities	693,544	(3,485)	-	32,287	-	(32,287)	(24,950)	(59,267)	605,842
David Patterson Lecture Series, equities	51,754	(103)	-	48,917	-	(3,917)	-	(3,783)	92,868
Total MCA/Muller fund, Polonsky and DP Lecture Series	6,394,139	(34,626)	619,101	280,066	(150,624)	(84,442)	22,246	(11,334)	7,034,526
Total expendable and partly expendable endowments	8,746,331	(34,626)	-	280,066	(150,624)	(84,442)	76,347	(11,334)	8,821,718
PERMANENT ENDOWMENTS									
J M Finn investments									
Library									
Catherine Lewis & Simon Davis Library Fund	122,514	(741)	-	4,824	-	(4,824)	(2,974)	5,212	124,011
HRO Library Fund	21,460	(130)	-	845	-	(845)	(521)	913	21,722
Isaiah Berlin Library Fund	15,417	(93)	-	607	-	(607)	(374)	656	15,606
Fellowships/scholarships,									
David Patterson Fellowship in Jewish Law	385,402	(2,331)	-	15,177	-	(15,177)	(9,356)	16,394	390,109
Jacobs Fellowship	126,471	(764)	-	4,980	-	(4,980)	(3,070)	5,380	128,017
Mason Lectureship	121,782	(736)	-	4,796	-	(4,796)	(2,956)	5,181	123,271
Goldman Lecture fund	15,698	(95)	-	618	-	(618)	(381)	668	15,890
Dov Biegun Scholarship fund, part transferred to property	103,995	(629)	-	4,095	-	(4,095)	(2,525)	4,424	105,265
	912,739	(5,519)	-	35,942	-	(35,942)	(22,157)	38,828	923,891
The Paisner, Leigh, Hyman, Green and Schreiber funds (Yarnton Trust)	559,430	(3,381)	-	22,029	-	(22,029)	-	17,141	573,190
	1,472,169	(8,900)	-	57,971	-	(57,971)	(22,157)	55,969	1,497,081
Manor Farm, phase 2, property investment									
Miscellaneous Fund	421,124	-	-	-	-	-	-	-	421,124
Dov Biegun Scholarship Fund	228,876	-	-	45,202	(15,296)	(29,906)	-	-	228,876
	650,000	-	-	45,202	(15,296)	(29,906)	-	-	650,000
Total Permanent Endowment Fund	2,122,169	(8,900)	-	103,173	(15,296)	(87,877)	(22,157)	55,969	2,147,081
Total All Endowments	10,868,500	(43,526)	-	383,239	(165,920)	(172,319)	54,190	44,635	10,968,799

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

15 Endowment Funds (continued)

	Balance 31 July 2013	Management Fees	Net Incoming Resources	Reallocated to Income & Expenditure Unrestricted	Reallocated to Income & Expenditure Restricted	Net Realised Gains/Losses for the year	Net Unrealised Gains/Losses for the year	Balance 31 July 2014
	£	£	£	£	£	£	£	£
The Yarnton Trust								
– individual fund values								
Expendable Endowment								
Leopold Muller Memorial Library Fund	1,176,205	(7,139)	45,738	-	(45,738)	10,855	26,360	1,206,281
Permanent Endowments								
Kennedy Leigh Charitable Trust Fund	121,698	(736)	4,791	-	(4,791)	-	3,728	124,691
Leslie Paisner Memorial Fund	42,755	(258)	1,684	-	(1,684)	-	1,310	43,807
David Hyman Fellowship	112,851	(682)	4,444	-	(4,444)	-	3,458	115,627
Frank Green Fellowship	112,851	(682)	4,444	-	(4,444)	-	3,458	115,627
Jacob & Shoshana Schreiber Fellowship	169,275	(1,023)	6,666	-	(6,666)	-	5,187	173,439
	<u>559,430</u>	<u>(3,381)</u>	<u>22,029</u>	<u>-</u>	<u>(22,029)</u>	<u>-</u>	<u>17,141</u>	<u>573,190</u>
Total Yarnton Trust	<u>1,735,635</u>	<u>(10,520)</u>	<u>67,767</u>	<u>-</u>	<u>(67,767)</u>	<u>10,855</u>	<u>43,501</u>	<u>1,779,471</u>

MCA Fund – summary

	Balance 31 July 2013	Management Fees	Net Incoming Resources	Reallocations		Net Realised Gains/Losses	Net Unrealised Gains/Losses	Balance 31 July 2014
	£	£	£	Unrestricted	Restricted	£	£	£
MCA Fund, aggregate balances	<u>5,037,636</u>	<u>(23,899)</u>	<u>153,124</u>	<u>(150,624)</u>	<u>(2,500)</u>	<u>90,442</u>	<u>25,356</u>	<u>5,129,535</u>

The MCA Endowment Fund is a separate fund for the purposes of advancing education in Hebrew and Jewish Studies. The donor of the original grant of £3,000,000 specified that the capital, which is to be invested on professional advice in order to obtain the maximum long-term total return (net of any tax) which is regarded from time to time as a prudent target for the Fund, may be spent provided that:

- (1) the total of income, realised and unrealised gains spent in any full financial year of the Centre does not exceed 8% of the original grant as increased by the percentage increase in the UK Retail Prices Index from 30 June 2001 to the beginning of such financial year, but so that any unspent part of such 8% may be carried forward and spent in subsequent financial years in addition to such 8% limit each such financial year and
- (2) the market value of the capital of the Fund (after deducting any losses and liabilities, whether actual, accrued or contingent) not more than 30 days prior to the date on which the Governors resolve to spend the gains is not less than the original grant (increased as specified in the proviso (1) above) after excluding the gains resolved to be spent.

Provisos (1) and (2) are also applied to the additional grants of £1,062,350, from their respective dates of receipt. There were no additional grants during the year ended 31 July 2014 (2013: £nil). At 31 July 2014, the total grants increased by the UK Retail Prices Index for the relevant periods, amounted to £5,454,141 (2013: £5,350,145) so that the market value of £5,129,535 gave rise to a deficit of £(324,606) (2013: £(312,509)) and no capital could then be spent.

The unspent parts of 8% per annum aggregate to £2,830,246 (2013: £2,547,039).

16 Unrestricted funds

	31 July 2013	Incoming Resources	Transfers	Outgoing Resources	31 July 2014
	£	£	£	£	£
	(555,315)	264,148	177,668	(1,262,424)	(1,375,923)

17 Designated Funds

	31 July 2013	Incoming Resources	Transfers	Outgoing Resources	31 July 2014
	£	£	£	£	£
Yarnton Manor Estate Facilities	-	14,293	(11,748)	(2,545)	-
Library training day	-	6,267	-	(6,267)	-
David Patterson Memorial Concert	448	-	-	(49)	399
Journal of Jewish Studies	66,020	68,288	-	(69,824)	64,484
	<u>66,468</u>	<u>88,848</u>	<u>(11,748)</u>	<u>(78,685)</u>	<u>64,883</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

18 Restricted Funds

	31 July 2013 £	Incoming resources including transfers £	Reallocation £	Outgoing Resources £	31 July 2014 £
Assoc for Philosophy of Judaism	3,216	-	-	(1,089)	2,127
Conferences and lectures	8,732	4,534	-	(3,209)	10,057
Conferences (Corob)	60,545	50,000	-	(14,393)	96,152
Conference (Summer Institute 2014)	-	60,750	-	(41,837)	18,913
Fellowships, visiting	4,045	-	-	-	4,045
Fellowships, visiting	-	140,000	-	(138,933)	1,067
Fellowships, permanent	86,987	263,135	-	(281,096)	69,025
Israel lecture series	3,098	10,770	-	(13,868)	-
Library fund	-	56,144	-	(56,144)	-
Looted Art Research Unit	34,215	145,489	-	(145,530)	34,174
Master of Jewish Studies degree	87,743	236,525	-	(287,321)	36,947
Other, bank interest	2,574	864	-	-	3,438
L Paisner Fund	2,000	-	-	-	2,000
	293,155	968,211	-	(983,420)	277,946

Master of Jewish Studies degree – scholarships

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

Fellowships

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

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.

Looted Art Research Unit

The donations received for this fund are used to support the work of a Central Registry of Information on Looted Cultural Property 1933 – 1945.

19 Transfers

Transfers between unrestricted, designated, restricted or endowment funds during the year are as disclosed elsewhere in the accounts.

20 Analysis of Group Assets

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund balances at 31 July 2014 are represented by:					
Tangible fixed assets	751,731	-	-	1,787,193	2,538,924
Investment property	-	-	-	650,000	650,000
Investments	-	-	-	7,438,919	7,438,919
Current assets	85,845	624	226,858	-	313,327
Current liabilities	(748,425)	-	(104,152)	(6,414)	(858,991)
Non-current liabilities	-	-	(146,474)	-	(146,474)
Loans	(1,465,074)	64,259	301,714	1,099,101	-
	(1,375,923)	64,883	277,946	10,968,799	9,935,705

The deficit on unrestricted funds includes the value of restricted and designated funds spent on operating activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

21 Pension Commitments

Principal accounting policies

The institution participates in the Universities Superannuation Scheme ("USS"), a defined benefit scheme which is contracted out of the State Second Pension ("S2P"). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Information provided by the USS

The institution participates in the USS a defined benefit scheme which is contracted out of S2P. The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The appointment of directors to the board of the trustee is determined by the trustee company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, that requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out regular reviews of the funding levels. In particular, he carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2014 are also included in this note.

The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.1% per annum, salary increases would be 4.4% per annum (with short-term general pay growth at 3.65% per annum and an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.4% per annum for 3 years following the valuation then 2.6% per annum thereafter.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

21 Pension Commitments (continued)

Standard mortality tables were used as follows:

Male members' mortality	S1NA ["light"] YoB tables – No age rating
Female members' mortality	S1NA ["light"] YoB tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates the CMI 2009 projections with a 1.25% pa long term rate were also adopted. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65	23.7 (25.6) years
Males (females) currently aged 45	25.5 (27.6) years

At the valuation date, the value of the assets of the scheme was £32,433.5 million and the value of the scheme's technical provisions was £35,343.7 million indicating a shortfall of £2,910.2 million. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 68%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004, the scheme was 93% funded; on a buy-out basis (i.e. assuming the scheme had discontinued on the valuation date) the assets would have been approximately 57% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, using a AA bond discount rate of 5.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 82%.

As part of this valuation, the trustee has determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. In 2011, the actuary estimated that if experience remained in line with the assumptions made, the shortfall at 31 March 2014 would be £2.2 billion, equivalent to a funding level of 95%.

However, changes in market conditions between March 2011 and March 2014 have had an impact on scheme funding. The next formal triennial actuarial valuation will take place as at 31 March 2014, and work is currently underway to update the actuarial assumptions and allow for any adjustments to the overall funding approach adopted by the trustee board in consultation with stakeholders.

As work on the 2014 valuation is not yet complete, the trustee cannot provide the final figure but an estimate has been provided using the assumptions used to deliver the 2011 actuarial valuation. On that basis, the actuary has estimated that the funding level under the scheme specific funding regime will have fallen from 92% at 31 March 2011 to 85% at 31 March 2014. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions.

The funding level has decreased mainly due to a decrease in real gilt yields, reducing the implied net discount rate and therefore placing a higher value on the schemes liabilities. This increase has been partially offset by a higher than expected investment return.

On the FRS17 basis, using an AA bond discount rate of 4.5% per annum based on spot yields, the actuary estimates that the funding level at 31 March 2014 was 75%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 61%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

21 Pension Commitments (continued)

Surpluses or deficits which arise at future valuations may impact the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, whereas a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities on a technical provisions basis as at the date of the last triennial actuarial valuation are set out below:

<i>Assumption</i>	<i>Change in assumption</i>	<i>Impact on shortfall</i>
Investment return (valuation rate of interest)	Decrease by 0.25%	Increase by £1.6 billion
The gap between RPI and CPI	Decrease by 0.25%	Increase by £1 billion
Rate of salary growth	Increase by 0.25%	Increase by £0.6 billion
Members live longer than assumed	1 year longer	Increase by £0.8 billion
Equity markets in isolation	Fall by 25%	Increase by £4.6 billion

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions but the allowance for promotional salary increases was not as high. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve was included, in addition, on account of the variability mentioned above.

As at the 2011 valuation, the scheme was still a fully Final Salary Scheme for future accruals, and the prevailing employer contribution rate was 16% of Salaries.

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically, these increases had been based on the Retail Prices Index measure of price inflation.

Since the valuation effective date of 31 March 2011, there have been a number of changes to the benefits provided by the scheme although these became effective from October 2011. These include:

New Entrants

Other than in specific, limited circumstances, new entrants are now provided benefits on a Career Revalued Benefits ("CRB") basis rather than a Final Salary ("FS") basis.

Normal pension age

The normal pension age was increased for future service and new entrants, to age 65.

Flexible Retirement

Flexible retirement options were introduced.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

21 Pension Commitments (continued)

Member contributions increased

Contributions were increased to 7.5% p.a. and 6.5% p.a. for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of Salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%.

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee's role is to set risk and return parameters which reflect the strength of the sponsoring employers and the nature of the scheme's liabilities. These parameters, taken together with the anticipated returns form the basis of the trustee's funding strategy. These parameters are informed by advice from its internal investment team, its investment consultant and the scheme actuary, as well as an independent assessment of the support available from the sponsoring employers. The trustee remains confident that it can continue to take a long-term view of scheme funding, backed as it is by a robust Higher Education sector.

The fund is invested in a wide range of asset classes, both publicly traded (including equities and fixed income) and private (including private equity, infrastructure, property and timberland). A diversified portfolio helps to spread investment risk across different asset classes and to boost the level of confidence in maintaining sufficient investment returns from the fund as a whole. This investment approach is innovative and responsible, and targeted at achieving returns required to meet the scheme's liabilities. Recently, the trustee has invested directly in infrastructure assets. These investments are typically illiquid, but can achieve attractive inflation-linked returns in ways often not available in the publicly traded markets and which can match the scheme's liabilities to a high degree.

At 31 March 2014, USS had over 162,000 active members and the Centre had 12 active members participating in the scheme.

The total pension cost for the Centre was £103,180 (2013: £102,931). The amount payable to the USS scheme was £40,991 (2013: £39,168) and the amount payable to the University of Oxford Staff pension Scheme ("OSPS"), which had 14 active members, was £62,189 (2013: £63,763). The contribution rate payable by the Centre was 16% of pensionable salaries for USS and 21.5% of pensionable salaries for the OSPS.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

22 **Going Concern**

In the 2012-2013 Statement of Financial Activities, Governors stated their intention to realise fixed assets in 2013-2014 to provide ongoing liquidity without the need to invest in extensive fundraising activities. The outcome of the sale of the Yarnton Manor estate, which was completed in September 2014, is a substantial additional investment in Endowment Funds which will provide operating income to cover the much reduced overheads following the move from Yarnton to University of Oxford premises. The unrestricted funds deficit at 31 July 2014, which was supported by interfund loans and a bank overdraft/bridging loan, has been repaid. Consequently, the Governors expect that unrestricted funds for 2014-15 will be in surplus, as shown by the following table which includes only the general donations needed to break even.

Projected income and forecast expenditure for 2014-15

	£
Endowment valuation at 31 July 2014	7,439,000
New investment from sale proceeds	5,000,000
	<hr/>
Total value of investments	12,439,000
Projected annual income	
Investment income	495,000
Grant income in support of fellowships	135,000
General donations	225,000
	<hr/>
	855,000
Forecast annual expenditure	
Salaries, President, academic, teaching, research allowances	465,000
Salaries, administrative and accounting	115,000
Leopold Muller Memorial Library, annual gift to University	210,000
Clarendon Institute, space charges and running costs	65,000
	<hr/>
	855,000

The following projects/activities are self funding and not included in the above figures:
Oxford Seminars on Advanced Jewish Studies
The Looted Art Unit
The Journal of Jewish Studies

23 **Post Balance Sheet Event**

As explained in note 22 and the Governors Report, the Centre completed the sale of Yarnton Manor estate in September 2014, and this resulted in the Centre receiving £6m in cash and reducing its annual costs. Two parcels of land were retained by the Centre, 24.12 acres in total.