

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 2016**

**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 Anna Sapir Abulafia (Vice-Chairman)

Professor Martin Goodman, FBA
Field Marshal the Lord Guthrie of
Craigiebank GCB LVO OBE DL
Dr Sondra Hausner
Professor Edmund Herzig
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
Mr Charles Sebag-Montefiore FCA
Ms Anne Webber
Professor Hugh Williamson OBE FBA

EMERITUS GOVERNORS

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

Mr Peter Oppenheimer
Mr Felix Posen
Sir Maurice Shock
Sir Sigmund Sternberg KCSG GCFO JP
(deceased 18/10/2016)
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 CH DL

PRESIDENT

Professor Martin Goodman FBA

SECRETARY

Mr Martin Paisner CBE

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REGISTERED OFFICE

Clarendon Institute
Walton Street
Oxford OX1 2HG

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
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OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2016

The Governors present their report and the financial statements for the year ended 31 July 2016.

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 2016.

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, 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

All the Centre's operations are based in the Clarendon Institute in central Oxford.

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 8, showing movements on unrestricted, designated, restricted and endowment funds. The operating deficit for the year on unrestricted funds, before transfer of investment income was £327,756 (2015: £605,692). After transfer of investment income and net gains on sales and revaluation of assets, net movement in funds for the year was £25,088 leaving a balance at the end of the year of £136,831 (2015: £111,743 after £98,836 of FRS 102 transitional adjustments in respect of multi employer defined benefit provision).

The surplus for the year as shown in the summary income and expenditure account was £76,539 (2015: surplus £1,077,767).

Total funds at the end of the year were £13,686,669 (2015: £13,345,035 after £98,836 of FRS 102 transitional adjustments in respect of multi employer defined benefit provision), an increase of £341,634.

Funds and reserves policy

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

During the year, investment in Endowment Funds managed by J M Finn was increased by £7,500 (2015: £5,000,000).

Total Fixed Asset Endowment Investments at 31 July 2016 were valued at £12,913,612 (2015: £12,679,378).

Governors aim to maintain endowment reserves to provide a regular income for the support of the Centre's operating activities in the future.

Fund-raising activities

The Centre received donations of £496,956 (2015: £515,182) and legacies of £174,463 (2015: £nil) during the year.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2016 (continued)

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.

Pay policy for senior staff

The Governors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Governors give of their time freely and no Governor received remuneration, for their role, in the year.

The pay of the senior staff, made up of the President and Bursar, is reviewed annually and normally increased in accordance with the cost of living increment set out by Oxford University.

The President's salary is agreed via a remuneration committee made up of Governors. The Bursar's salary is agreed by the President with reference to the Governors, and it is benchmarked against academic average pay levels for similar roles.

The cumulative amount for total salaries paid to senior management in the year ended 31 July 2016 was £87,295.

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 a 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 consolidated its financial position and academic activities through its relocation to the Clarendon Institute, which has 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 to Jewish thought, history, literature, culture and society of 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. Scholars from many countries and every continent come to the Centre to study Hebrew, Yiddish and 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.

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.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2016 (continued)

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

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.

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.

The Governors 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.

Method used to recruit/appoint new trustees including constitutional provisions

New trustees are appointed as follows, in accordance with the Centre's Memorandum of Association.

- 1) Four trustees (University Board Members) are appointed by the University of Oxford (two by the Humanities Divisional Board and two by the Board of the Faculty of Oriental Studies).
- 2) All other trustees ('Ordinary Board Members') are co-opted Governors by the existing trustees.
- 3) The Centre's constitution requires a majority of the trustees to be Ordinary Board Members.

Policies and procedures for induction and training of trustees

New trustees are inducted by the Centre's President, who is responsible for ensuring that trustees are aware of the aims and purpose of the Centre and the procedures and duties of the Board of governors as trustees.

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

- the Governors have taken the steps needed to be aware of any relevant audit information and to establish that the Centre's auditors are aware of that information.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2016 (continued)

Investment funds

The Centre's investment funds are managed by J M Finn & Co.

Valuations at 31 July 2016

Expendable and partly expendable portfolio

The MCA Fund	£5,322,919	(2015: £5,193,015)
General funds	£2,853,168	(2015: £2,781,258)
The Yarnton Trust (Muller Library Fund)	£1,243,144	(2015: £1,212,989)

Permanent portfolio

General funds	£1,152,736	(2015: £1,169,115)
OCHJS, Library and Fellowship	£938,274	(2015: £ 951,607)
The Yarnton Trust	£589,773	(2015: £ 598,152)

Other – expendable funds

The Polonsky Foundation	£689,067	(2015: £ 637,487)
Lecture funds	£106,138	(2015: £ 98,001)

Performance of investments against objectives

The investment objectives are to seek a combined long term return from income and capital growth, with a bias towards income, with the adoption of a medium risk investment portfolio.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2016 (Continued)

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 2015 to the date of this report, unless otherwise stated. In accordance with the Articles of Association, Lord Guthrie of Craigiebank, David Joseph QC, Daniel Patterson, Charles Sebag-Montefiore and Marc Polonsky resign. David Joseph QC and Daniel Patterson offer themselves for re-election for a further period of 3 years from December 2016. Lord Guthrie and Charles Sebag-Montefiore offer themselves for election as Emeritus Governors

The Lord Fink of Northwood (Co-Chairman)
Mr George Pinto (Co-Chairman)
Professor Anna Sapir Abulafia (Vice-Chairman) (elected 23 October 2015)
Professor Martin Goodman (President)
Field Marshall the Lord Guthrie of Craigiebank
Dr Sondra Hausner
Professor Edmund Herzig (elected 9 November 2015)
Professor Jan Joosten (resigned 9 November 2015)
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 (resigned 21 June 2016)
Mr Charles Sebag-Montefiore
Ms Anne Webber
Professor Hugh Williamson

Appointment of Governors by the University

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 appointee on 1 August 2015 was Dr Sondra Hausner. Professor Anna Sapir Abulafia was appointed on 23 October 2015 to fill the vacant place.

The Oriental Studies Board of the University of Oxford (two members). The appointees on 1 August 2015 were Dr Laurent Mignon and Professor Jan Joosten. On 9 November 2015 Professor Jan Joosten resigned and was replaced by Professor Edmund Herzig as a Governor to represent the Oriental Studies Board.

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.

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 *6 December* 2016 and signed on its behalf by



.....
Professor Martin Goodman, President

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

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 2016 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 3, 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 2016, 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.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**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 Governors 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 Governors' Annual Report.



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

7 March 2017

**OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2016**

	Note	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2015 £
Income											
<i>Incoming resources from raising funds</i>											
<i>Voluntary income</i>											
Donations	2.1	89,011	-	407,945	-	496,956	115,686	-	399,496	-	515,182
Legacies	2.1	174,463	-	-	-	174,463	-	-	-	-	-
Activities for raising funds	2.2	29,362	-	3,970	-	33,332	43,218	-	3,175	-	46,393
Investment income	2.3	282	-	2,546	488,157	490,985	1,751	-	994	434,433	437,178
Income from charitable activities	2.4	5,978	81,660	155,013	-	242,651	38,294	70,186	204,810	1,000	314,290
Total income		299,096	81,660	569,474	488,157	1,438,387	198,949	70,186	608,475	435,433	1,313,043
Expenditure											
<i>Cost of raising funds</i>	3	71,240	-	-	71,379	142,619	63,592	-	4,762	76,214	144,568
<i>Charitable activities</i>	4	555,612	70,423	657,073	-	1,283,108	741,049	66,316	705,725	-	1,513,090
Total expenditure		626,852	70,423	657,073	71,379	1,425,727	804,641	66,316	710,487	76,214	1,657,658
Net gains/(losses) on investments											
Fixed asset investments net realised gains/(losses)	11	-	-	-	(229,853)	(229,853)	-	-	-	(13,152)	(13,152)
Fixed asset investments net unrealised gains/(losses)	11	-	-	-	547,327	547,327	-	-	-	313,826	313,826
Net income/(expenditure)		(327,756)	11,237	(87,599)	734,252	330,134	(605,692)	3,870	(102,012)	659,893	(43,941)
Net transfers between funds	15 / 19	352,844	-	127,813	(480,657)	-	1,644,620	-	136,981	(1,781,601)	-
Other recognised gains/(losses)											
Fixed assets – gain on disposal		-	-	-	-	-	519,072	-	-	2,859,096	3,378,168
Fixed assets – gain on revaluation (retained land)	15	-	-	-	11,500	11,500	-	-	-	145,437	145,437
Net movement in funds for the year		25,088	11,237	40,214	265,095	341,634	1,558,000	3,870	34,969	1,882,825	3,479,664
Fund balances at 1 August 2015 as originally stated		210,579	68,753	312,915	12,851,624	13,443,871	(1,375,923)	64,883	277,946	10,968,799	9,935,705
Transitional adjustments at 1st August 2014		(70,334)	-	-	-	(70,334)	(70,334)	-	-	-	(70,334)
Transitional adjustments for the year ended 31st July 2015		(28,502)	-	-	-	(28,502)	-	-	-	-	-
Fund balances at 31 July 2016		136,831	79,990	353,129	13,116,719	13,686,669	111,743	68,753	312,915	12,851,624	13,345,035

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 2016

	2016	2015
	£	£
Gross income from continuing operations – unrestricted, restricted and designated funds	950,230	877,610
Transfer from endowment funds	480,657	1,781,601
Total expenditure of continuing operations	(1,354,348)	(1,581,444)
Total net income for the year	<u>76,539</u>	<u>1,077,767</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 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9	114,335		122,502	
Investment property	10	221,500		210,000	
Investments	11	12,913,612		12,679,378	
			13,249,447		13,011,880
Current assets					
Debtors – falling due within one year	12	100,338		126,980	
Bank deposit – general		643,203		768,105	
			743,541		895,085
Current liabilities					
Creditors – falling due within one year	13	(94,020)		(356,241)	
Net current assets			649,521		538,844
Total assets less current liabilities			13,898,968		13,550,724
Creditors – falling due after more than one year	14		(123,853)		(106,853)
			13,775,115		13,443,871
Pension provision	21		(88,446)		(98,836)
Net assets			13,686,669		13,345,035
Capital funds					
Endowments	15		13,116,719		12,851,624
Income funds					
Unrestricted	16		225,277		210,579
Pension reserve	16/21		(88,446)		(98,836)
Designated	17		79,990		68,753
Restricted	18		353,129		312,915
			13,686,669		13,345,035

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 6 December 2016.


 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 2016

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
At 1 August 2015 as originally stated	210,579	68,753	312,915	12,851,624	13,443,871	9,935,705
Transitional adjustments at 1 August 2014	(70,334)	-	-	-	(70,334)	(70,334)
Transitional adjustments year ended 31 July 2015	(28,502)	-	-	-	(28,502)	-
Movements in year	25,088	11,237	40,214	265,095	341,634	3,479,664
At 31 July 2016	136,831	79,990	353,129	13,116,719	13,686,669	13,345,035
Represented by:						
Fixed assets	114,335	-	-	221,500	335,835	332,502
Investments	-	-	-	12,913,612	12,913,612	12,679,378
Debtors	100,338	-	-	-	100,338	126,980
Bank deposit	86,231	79,990	476,982	-	643,203	768,105
Creditors	(75,627)	-	-	(18,393)	(94,020)	(356,241)
Long term liabilities	-	-	(123,853)	-	(123,853)	(106,853)
Pension provision	(88,446)	-	-	-	(88,446)	(98,836)
	136,831	79,990	353,129	13,116,719	13,686,669	13,345,035

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2016**

	Note	2016 £	2015 £
Net cash flow from operating activities	23	(608,387)	(1,078,960)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		-	(122,501)
Proceeds from disposal of tangible fixed assets		-	6,502,530
Payments to acquire investment assets		(7,500)	(5,000,000)
Investment income		490,985	437,178
Net cash flow from investing activities		<u>483,485</u>	<u>1,817,207</u>
Net increase/(decrease) in cash and cash equivalents		(124,902)	737,247
Cash and cash equivalents at 1st August 2015		768,105	30,858
Cash and cash equivalents at 31st July 2016		<u>643,203</u>	<u>768,105</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		643,203	768,105
Cash and cash equivalents at 31st July 2016		<u>643,203</u>	<u>768,105</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

1 **Accounting policies**

Oxford Centre for Hebrew and Jewish Studies is a charitable company limited by guarantee in the United Kingdom. In the event of the Centre being wound up, the liability in respect of the guarantee is limited to £1 per member of the Centre. The address of the registered office is given in the Centre information in these financial statements. The nature of the Centre's operations and principal activities are included in the Governors' report.

The Centre constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 24.

(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 SOFA 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) **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies (continued)

(d) **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. The Centre's freehold land and buildings were sold in the year.

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.

Short leasehold land and buildings are depreciated over the lease term

(e) **Investments**

Listed investments are stated at fair 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 fair value.

(f) **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(g) **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.

(h) **Foreign currencies**

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

(i) **Operating leases**

Rentals payable under operating leases are charged to the SOFA over the term of the lease.

(j) **Employee benefits**

When employees have rendered service to the Centre, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Centre participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf of its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). The assets of USS and OSPS are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the Centre is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by FRS 102, the Centre accounts for the schemes as if they were defined contribution schemes.

Both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102, the Centre has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies (continued)

(k) Allocation of expenditure

Specific items of expenses are attributed to the appropriate category:

- cost of raising 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;
- 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.

(l) Fund accounting

Funds held by the Centre 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 Centre 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.

(m) 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.

(n) Gifts in kind

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

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The Governors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Centre to be able to continue as a going concern

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies (continued)

(o) Critical accounting judgements

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS and OSPS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in income or expenditure. The Governors are satisfied that the scheme provided by USS and OSPS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

(p) Key sources of estimation uncertainty

Pension scheme liability

The Governors are required to make assumptions on future staffing levels and appropriate discount rates when calculating the USS and OSPS pension scheme liability. These are included as best estimates at the date of calculation, but present a significant risk in potentially causing a material adjustment to the balance sheet.

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.

2.1 Voluntary income comprises

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
Donations	89,011	-	407,945	-	496,956	515,182
Legacies	174,463	-	-	-	174,463	-
	263,474	-	407,945	-	671,419	515,182

Reconciliation of voluntary income received in the year

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
Total income received in year	263,474	-	398,668	-	662,142	505,290
Released from earlier years (note 13)	-	-	9,277	-	9,277	9,892
	263,474	-	407,945	-	671,419	515,182

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

2.2 Activities for raising funds

This comprises income for administrative support of academic programmes, office space (rental) and short let farming tenancy of retained land at Yarnton, plus refunds from utility companies following sale of Yarnton Manor.

2.3 Investment income

Investment income comprises

	Unrestricted £	Designated £	Restricted £	Total Endowment £	Total 2016 £	2015 £
Dividends and interest	282	-	769	480,657	481,708	437,178
Other	-	-	1,777	7,500	9,277	-
	282		2,546	488,157	490,985	437,178

2.4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
Conferences, student fees, accommodation and library funding	5,978	-	57,513	-	63,491	72,169
Looted Art Research Unit	-	-	97,500	-	97,500	170,935
Journal of Jewish Studies	-	81,660	-	-	81,660	70,186
Other	-	-	-	-	-	1,000
	5,978	81,660	155,013	-	242,651	314,290

3 Costs of raising funds

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
Advertising and fundraising	18,821	-	-	-	18,821	20,257
Support costs	52,419	-	-	-	52,419	48,097
	71,240	-	-	-	71,240	68,354
Investment management						
Investment management fees	-	-	-	71,379	71,379	76,214
	£71,240	£0	£0	£71,379	£142,619	144,568

4 Charitable activities

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2016 £	Total 2015 £
Academic	274,961	70,423	408,040	-	753,424	882,139
Yarnton Manor Estate facilities	7,657	-	-	-	7,657	58,829
MSt teaching and scholarships	12,660	-	33,435	-	46,095	60,717
Library	157,926	-	52,420	-	210,346	238,132
Looted Art Research Unit	-	-	161,192	-	161,192	143,970
Hebrew and Jewish Studies Unit	28,379	-	-	-	28,379	29,398
APJ (Assoc for Philosophy Judaism)	-	-	1,986	-	1,986	240
Clarendon Institute Building	38,485	-	-	-	38,485	63,367
Support costs	35,544	-	-	-	35,544	36,298
	555,612	70,423	657,073	-	1,283,108	1,513,090

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

5 Governors' and key management personnel remuneration and expenses

Except for the president, the Governors received no remuneration or reimbursed expenses during the year. (2015: £Nil).

The total amount of employee benefits received by key management personnel was £87,295. The Centre considers its key management personnel are the Board of Governors, and the Senior Management Team.

No Governors (2015: none) are accruing pension arrangements.

6.1 Further analysis of total resources expended, between staff and other costs

	Staff costs £	Other costs £	Total 2016 £	Total 2015 £
Charitable activities				
Academic	219,981	533,443	753,424	882,139
Yarnton Manor Estate Facilities	5,717	1,940	7,657	58,829
MSt teaching and scholarships	20,836	25,259	46,095	60,717
Library	-	210,346	210,346	238,132
Looted Art Research Unit	40,097	121,095	161,192	143,970
Hebrew and Jewish Studies Unit	5,570	22,809	28,379	29,398
APJ (Assoc for Philosophy of Judaism)	-	1,986	1,986	240
Clarendon Institute Building	-	38,485	38,485	63,367
Finance and professional charges	-	35,544	35,544	36,298
	<u>292,201</u>	<u>990,907</u>	<u>1,283,108</u>	<u>1,513,090</u>
Costs of raising funds	52,419	90,200	142,619	144,568
	<u><u>344,620</u></u>	<u><u>1,081,107</u></u>	<u><u>1,425,727</u></u>	<u><u>1,657,658</u></u>

6.2 Net resources expended

Results for the year are stated after charging:

		2016 £	2015 £
Depreciation	Owned asset	8,167	-
Auditor's fee	Fees payable for the audit of the charity's accounts	8,964	10,570
	Other fees	<u>2,991</u>	<u>738</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

7 **Governors' remuneration**

The President	2016	2015
	£	£
Salary (excluding employer's national insurance)	32,000	32,833
Employer's national insurance contributions	2,472	2,849
Personal pension	5,000	5,200
	<u>39,472</u>	<u>40,882</u>

Expenses of £182 (2015: £1,385) were reimbursed to or paid on behalf of the President.

Other Governors

Ms A Webber, a Governor of the Centre, received £20,000 (2015: £36,000) to manage the Looted Art Project and was reimbursed £327 (2015: £7,959) for general costs paid on behalf of the Project.

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

The cost of Professional Indemnity, Governors' and Officers' Liability was £596 (2015: £2,034). The 2015 policy included a Fidelity Guarantee which was removed for 2016.

8 **Staff costs including Governors' remuneration**

	2016	2015
	£	£
Wages and salaries, includes redundancy payments	289,570	487,118
Social security costs	20,989	52,251
Other pension contributions	34,061	56,691
	<u>344,620</u>	<u>596,060</u>

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

Research stipends of £99,184 (2015: £87,168) were paid to visiting academics to cover living expenses, rental accommodation in Oxford and travel costs.

Salary grants of £246,419 were paid to the University of Oxford and a further £45,571 accrued (2015: £302,825 paid, £48,767 accrued) 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 from 1 September 2015 to 31 July 2016, including those working part-time on a long-term basis, were as follows:

	2016		2015			
	Full-time	Part-time	Full-time 1.8.14 to 31.8.14	Part-time 1.9.14 to 31.7.15	Full-time 1.8.14 to 31.8.14	Part-time 1.9.14 to 31.7.15
Academic	4	4	5	4	5	4
Library (on 1 September, the library staff transferred under TUPE to Bodleian Library employment with the University of Oxford)		-	-	1	-	4-
Administration	4	4	8	6	4	4
Domestic and maintenance	-	-	6	-	3	-
	<u>8</u>	<u>8</u>	<u>20</u>	<u>10</u>	<u>16</u>	<u>8</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

9 Tangible fixed assets

	2016 £	2015 £
Freehold land and buildings at 1 August		
Manor Farm - land	-	445,672
Manor Farm - buildings	-	751,731
	-	1,197,403
 Yarnton Manor Estate		
- Yarnton Manor	-	971,520
- Ricardo House	-	370,000
	-	1,341,520
Disposals		
Manor Farmland	-	(1,197,403)
Yarnton Manor Estate	-	(1,341,520)
	-	-
Freehold land and buildings at 31 July	-	-
 Clarendon Institute Building		
Capital improvement and alternations to internal space at 1 August	122,501	122,501
Less: Depreciation charge for the year	(8,167)	-
	114,334	122,501
 Books and equipment		
Library collections	1	1
	1	1
 Total fixed assets at 31 July 2016	114,335	122,502

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

Yarnton Manor Estate, including Manor Farm

The sale of the Yarnton Manor estate, including land and buildings at Manor Farm, was completed on 10 September 2014.

The Centre has retained ownership of two parcels of land valued at £221,500 (note 10). The land is included within investment assets, (note 15).

Completion Statement

Sale proceeds	8,300,000	
Paid to Benesco Charity Limited under the terms of a pre-emption right previously reported in the Centre's accounts and varied by a Memorandum of Understanding dated January 2014	(1,570,695)	
Professional fees	(226,775)	
	6,502,530	
Net sale proceeds	6,502,530	

Leopold Muller Memorial Library

All holdings and collections of the LMML were gifted to the Chancellor Masters and Scholars of the University of Oxford under a Deed of Gift dated 29 August 2014 and are held on trust as part of the Bodleian Libraries Fund.

The Clarendon Institute, Walton Street, Oxford

On 1 September 2014, the Centre relocated its operations to University of Oxford offices in central Oxford under a Licence to Occupy part of the Clarendon Institute until 21 September 2030.

Depreciation

The Centre has spent £122,501 on alterations and refurbishment of a new lecture room. The capital sum is being depreciated over the term of the Centre's Licence to Occupy (15 years). Depreciation charged for the year was £8,167.

Equipment

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

Insured value

The assets of the Centre, which are used to promote its objectives were insured at 31 July 2016 for a total of £6,129,306 (2015: £5,967,500).

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

10 Other tangible fixed assets – endowment properties

	2016	2015
	£	£
Yarnton Manor land retained on sale at valuation	221,500	210,000
	221,500	210,000
	221,500	210,000

The original cost value of the retained land was £64,563. The land was independently valued by Carter Jonas LLP, RICS Registered Valuers, at a market value of £221,500. The unrealised gain of £11,500 (2015: £145,437) is disclosed in the SOFA. The land is included as an investment property as it is no longer used for the Centre's own purposes.

11 Movement in fixed asset investments

	2016	2015
	£	£
Fair value at 1 August	12,679,378	7,438,919
Additions	1,363,197	5,816,710
Disposals	(1,477,225)	(970,238)
Change in cash held by investment managers	30,788	93,313
Realised net gains/(losses)	(229,853)	(13,152)
Unrealised net gains/(losses)	547,327	313,826
Fair value at 31 July	12,913,612	12,679,378
	12,913,612	12,679,378

Included above are the following investment assets:

	2016	2015
	£	£
Investment assets listed in the United Kingdom	9,468,197	7,918,143
Investment assets listed outside the United Kingdom	3,445,415	4,761,235
	12,913,612	12,679,378
	12,913,612	12,679,378

**12 Debtors
Due within one year**

	2016	2015
	£	£
Debtors	300	19,214
Prepayments and accrued income	100,038	107,766
	100,338	126,980
	100,338	126,980

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

13

Creditors

Due within one year:

	2016	2015
	£	£
Creditors - suppliers	5,719	167,240
Other creditors – taxation and social security	11,959	17,318
Accrued investment management fee	18,393	37,754
Accruals	57,949	57,626
Payments received in advance	-	67,026
Deferred income (see below)	-	9,277
	94,020	356,241
	94,020	356,241

Deferred income funds – movement in year

	Fellowships	Conferences/ Lectures	Total
	£	£	£
Opening balance at 1 August	9,277	-	9,277
Released during the year	(9,277)	-	(9,277)
Closing balance at 31 July	-	-	-
	-	-	-

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Creditors

Due after one year:

The Sidney Brichto Fellowship in Israel Studies

	2016	2015
	£	£
Opening balance at 1 August	106,853	146,474
Donations received (including gift aid)	17,000	45,333
Transferred to amounts due within one year (see note 13)	-	(66,876)
Transfer to Statement of Financial Activities	-	(18,078)
Donations received (including gift aid)	123,853	106,853
Total donations pledged but not yet received	17,000	34,000

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

15 Endowment Funds

	Balance 31 July 2015	Management Fees	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 2016
	£	£	£	£	£	£	£	£
Investments (note 11) net of accrued investment management fee								
Partly expendable endowment funds								
MCA Fund	5,193,015	(29,336)	200,124	(200,124)	-	(95,256)	254,496	5,322,919
The Leopold Muller Memorial Library fund	1,212,989	(6,810)	46,458	-	(46,458)	(22,114)	59,079	1,243,144
	6,406,004	(36,146)	246,582	(200,124)	(46,458)	(117,370)	313,575	6,566,063
General endowment funds	2,781,258	(16,240)	110,784	(110,784)	-	(52,732)	140,882	2,853,168
The Polonsky Foundation, Fellowship, equities	637,487	(3,778)	23,590	-	(23,590)	(3,778)	59,136	689,067
Lectures : David Patterson and Lehmann Memorial, equities	98,001	-	9,674	-	(2,174)	-	637	106,138
TOTAL EXPENDABLE (and partly expendable) ENDOWMENTS	9,922,750	(56,164)	390,630	(310,908)	(72,222)	(173,880)	514,230	10,214,436
Permanent Endowments								
J M Finn investments								
Library								
Catherine Lewis and Simon Davis Library Fund	127,731	(715)	4,582	-	(4,582)	(2,630)	1,555	125,941
HRO Library Fund	22,374	(125)	803	-	(803)	(461)	272	22,060
Isaiah Berlin Library Fund	16,074	(90)	577	-	(577)	(331)	196	15,849
Fellowships/scholarships								
David Patterson Fellowship in Jewish Law	401,811	(2,248)	14,413	-	(14,413)	(8,272)	4,891	396,182
Jacobs Fellowship	131,858	(738)	4,730	-	(4,730)	(2,714)	1,605	130,011
Mason Lectureship	126,969	(711)	4,554	-	(4,554)	(2,614)	1,546	125,190
Goldman Lecture Fund	16,367	(92)	587	-	(587)	(337)	199	16,137
General funds	108,423	(607)	3,889	-	(3,889)	(2,232)	1,320	106,904
	951,607	(5,326)	34,135	-	(34,135)	(19,591)	11,584	938,274
The Yarnton Trust								
The Paisner, Leigh, Hyman, Green and Schreiber Funds	598,152	(3,347)	21,456	-	(21,456)	(12,314)	7,282	589,773
SUB TOTAL - PERMANENT ENDOWMENTS, EQUITIES	1,549,759	(8,673)	55,591	-	(55,591)	(31,905)	18,866	1,528,047
General permanent endowment	1,169,115	(6,542)	41,936	(41,936)	-	(24,068)	14,231	1,152,736
TOTAL PERMANENT ENDOWMENTS	2,718,874	(15,215)	97,527	(41,936)	(55,591)	(55,973)	33,097	2,680,783
TOTAL INVESTMENTS	12,641,624	(71,379)	488,157	(352,844)	(127,813)	(229,853)	547,327	12,895,219
Investment Property								
Expendable								
Anonymous for Manor Farm, land retained Land at Yarnton	210,000	-	-	-	-	-	11,500	221,500
TOTAL ALL ENDOWMENTS	12,851,624	(71,379)	488,157	(352,844)	(127,813)	(229,853)	558,827	13,116,719

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

15 Endowment Funds (continued)

	Balance 31 July 2015	Management Fees	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 2016
	£	£	£	£	£	£	£	£
MCA Fund	5,193,015	(29,336)	200,124	(200,124)	-	(95,256)	254,496	5,322,919

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 2016 (2015: £nil). At 31 July 2016, the total grants increased by the UK Retail Prices Index for the relevant periods, amounted to £5,596,756 (2015: £5,494,765) so that the market value of £5,322,919 (2015: £5,193,015) gave rise to a deficit of £273,837 (2015: £301,750) and no capital could then be spent.

The unspent parts of 8% per annum aggregate to £3,306,485 (2015: £3,058,868).

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016**

16	Unrestricted funds	31 July 2015 £	Incoming Resources £	Transfers £	Gain on disposal £	Outgoing Resources £	31 July 2016 £
	General reserve	210,579	299,096	352,844	-	(637,242)	225,277
	Pension reserve	(98,836)	-	-	-	10,390	(88,446)
		111,743	299,096	352,844	-	(626,852)	136,831

17	Designated Funds	31 July 2015 £	Incoming Resources £	Transfers £	Outgoing Resources £	31 July 2016 £
	David Patterson Memorial Concert	399	-	-	-	399
	Journal of Jewish Studies	68,354	81,660	-	(70,423)	79,591
		68,753	81,660	-	(70,423)	79,990

18	Restricted Funds	31 July 2015 £	Incoming resources including transfers £	Outgoing Resources £	31 July 2016 £
	Assoc for Philosophy of Judaism	1,887	-	(1,986)	(99)
	Conferences and lectures	10,311	4,538	(1,274)	13,575
	Conferences (Corob)	86,135	-	(9,949)	76,186
	Conference (Summer Institute 2014)	6,141	57,696	(45,355)	(11,589)
	Fellowships, visiting	23,975	210,082	(127,503)	106,554
	Fellowships, permanent	79,256	205,477	(163,092)	121,641
	Hebrew manuscript workshop	-	10,000	(8,210)	31,861
	Lecture room, part funding	22,500	27,500	(50,000)	-
	Library fund	-	52,420	(52,420)	-
	Looted Art Research Unit	61,139	97,500	(161,192)	(2,553)
	Memorial lecture	-	10,000	-	10,000
	MSt teaching and scholarships	15,139	19,888	(34,998)	29
	Other, bank interest	4,432	2,186	(1,094)	5,524
	L Paisner Fund	2,000	-	-	2,000
		312,915	697,287	(657,073)	353,129

MSt teaching and 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, visiting

Grants received cover the costs of the Oxford Seminars on Advanced Jewish Studies held during Hilary and Trinity Terms in 2015/16. A full report on the academic activities relating to the Seminars is published in the Centre's separate Annual Report for the year.

Fellowships, permanent

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

Library Fund

This income represents investment income received from the Leopold Muller Memorial Library fund held within The Yarnton Trust.

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.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
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19 Transfers

Transfers between unrestricted, designated, restricted or endowment funds during the year are shown in the SOFA on page 8.

20 Analysis of Group Assets

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund balances at 31 July 2016 are represented by:					
Fixed assets	114,335	-	-	221,500	335,835
Investments	-	-	-	12,913,612	12,913,612
Debtors	100,338	-	-	-	100,338
Bank deposit	86,231	79,990	476,982	-	643,203
Creditors	(75,627)	-	-	(18,393)	(94,020)
Long term liabilities	-	-	(123,853)	-	(123,853)
Pension provision	(88,446)	-	-	-	(88,446)
	<u>136,831</u>	<u>79,990</u>	<u>353,129</u>	<u>13,116,719</u>	<u>13,686,669</u>

21 Pension Commitments

Universities Superannuation Scheme ("USS")

The pension charge for the year includes £23,494 (2015: £68,509) in relation to the USS. This represents contributions of £32,183 payable to the USS in the year, as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £(7,457) (2015: £35,815) deficit contributions net of discounting of £1,232.

USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and thereafter will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a. with the threshold applying from 1 October 2016; member contributions will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% (8% employee, 12% employer) of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is to be matched by employer contributions. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016, the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and with the salary threshold and defined contribution section implemented, this gives rise to deficit contributions of at least 2.1% p.a. of salaries. At 31 March 2016, USS reported that the funding deficit had increased to £10.0bn (83% funded) from £8.2bn (86% funded) at 31 March 2015.

USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a. less an inflation risk premium) less RPI/CPI gap of 0.8% p.a. As noted above, the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it was 16% of salaries. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and, from the implementation of the salary threshold, the employer contribution towards defined contribution benefits, including employer matching contributions and certain investment management costs relating to the DC section.

A provision of £55,229 has been made at 31 July 2016 (2015: £63,918) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision, it has been assumed that the Centre will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

21 Pension Commitments (continued)

Oxford Staff Pension Scheme ("OSPS")

The pension charge for the year includes £10,567 (2015 - £16,684) in relation to the OSPS. This represents contributions of £12,268 payable to the OSPS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £nil and deficit contributions (net of discounting) of £1,701.

OSPS' actuarial valuation as at 31 March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries with a funding deficit of £173m. The University of Oxford, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by raising the employer contribution rate in increments of 0.5% of pensionable salary to 23.5%, with this increase being implemented over the three years to 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 June 2026. At 31 March 2015, the scheme reported a funding deficit of £213.4m (71% funded) compared to £134.8m (77% funded) as at 31 March 2014. The next triennial valuation is due with an effective date of 31 March 2016.

The OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 20.1% of total pensionable salaries. It was agreed that employers increase their contribution rate by 0.5% each year to 1 August 2017 to 23.5%.

A provision of £33,217 has been made at 31 July 2016 (2015 - £34,918) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision, it has been assumed that the Centre will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the University of Oxford website <http://www.admin.ox.ac.uk/finance/epp/pensions/schemes/osps/>.

	2016 £
Pension obligation at 1 August	98,836
Employees pension provision to reduce the deficit	(4,909)
Increase in provision	1,976
Other movement	(7,457)
Pension obligation at 31 July	88,446

22 Financial commitments

(i) Donations

The Centre is committed to make the following donations to The University of Oxford under a Deed of Gift which runs to the end of the academic year 2016/17. The amount of the gift payable for the academic year 2015/16 is £207,000.

(ii) Licence to Occupy

The University of Oxford has given the Centre a licence to occupy part of the premises of the Clarendon Institute, Oxford for the period ended 21 September 2030. The annual amount payable under this licence is one peppercorn.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

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23 Reconciliation of net income to net cash flow from operating activities

	2016	2015
	£	£
Net income for year	330,134	(43,941)
Investment income	(490,985)	(437,178)
Depreciation and impairment of tangible fixed assets	8,167	-
Investment management fees paid from capital account	90,740	61,213
Net (gains) on investments	(317,474)	(300,674)
(Decrease) / Increase in debtors	26,642	(71,964)
(Decrease) in creditors	(245,221)	(314,918)
(Decrease) / Increase in pension provision	(10,390)	28,502
	(608,387)	(1,078,960)
	(608,387)	(1,078,960)

24 First-time adoption of SORP (FRS 102)

The charity has adopted the SORP (FRS 102) for the first time in the year ended 31 July 2016.

The effect of transition from SORP (2005) to SORP (FRS 102) is outlined below.

(a) Changes in accounting policies

There were no significant changes in accounting policies resulting from adoption of SORP (FRS 102)

(b) Reconciliation of total charity funds

Adjustments to previously reported total charity funds at the date of transition to SORP (FRS 102) were as follows:

	£
Total charity funds at 1 August 2014 under SORP (2005)	9,935,705
Recognition of USS & OSPS pension liability	(70,334)
	9,865,371
Total charity funds at 1 August 2014 under SORP (FRS 102)	9,865,371

Adjustments to previously reported total charity funds at the end of the comparative period were as follows:

	£
Total charity funds at 31 July 2015 under SORP (2005)	13,443,871
Recognition of USS & OSPS pension liability	(70,334)
Movement in USS & OSPS pension liability in the year	(28,502)
	13,345,035
Total charity funds at 31 July 2015 under SORP (FRS 102)	13,345,035

(c) Reconciliation of comparative period net movement in funds

	£
Net movement in funds for the year ended 31 July 2015 under SORP (2005)	3,508,166
Movement in USS & OSPS pension liability in the year	(28,502)
	3,479,664
Net movement in funds for the year ended 31 July 2015 under SORP (FRS 102)	3,479,664

In addition to the above SORP (FRS 102) requires governance costs to be allocated to activities and not shown separately on the face of the SOFA. This has resulted in governance costs of £55,406 being reclassified as resources expended on charitable activities.