

Charity number: 309720
Company number: 1109384



**OXFORD CENTRE FOR
HEBREW AND JEWISH STUDIES**

A Recognized Independent Centre of the University of Oxford



**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2013**

**WENN TOWNSEND
CHARTERED ACCOUNTANTS
OXFORD**

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

Registered in England No: 1109384
Registered Charity No: 309720

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
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

**ACTING PRESIDENT
from August 2013**

Professor Martin Goodman

SECRETARY

Mr Martin Paisner

**ACCOUNTANT
(BURSAR from September 2013)**

Mrs Sheila Phillips

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

REGISTERED OFFICE

Yarnton Manor
Yarnton
Oxford
OX5 1PY

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 Laphorn
Seacourt Tower
West Way
Oxford OX2 OFB

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REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2013

The Governors present their report and the financial statements for the year ended 31 July 2013.

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 ending 30 September 2013.

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 and Library Committees.

Charitable status and associated Charity

The Centre is a registered charity (no. 309720) 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

Most of the full-time fellows teach and carry out research at the Hebrew and Jewish Studies Unit of the University of Oxford ('the Unit'). The Unit's premises are located in the Oriental Institute building in the centre of Oxford. At the Yarnton Manor campus, four miles from the centre of Oxford, accommodation, a major research library and teaching and administrative support are provided for the Centre's fellows and other teachers, visiting scholars and students. Numerous related academic activities occur during the year at both locations, including seminars, lectures and conferences. The Looted Art Research Unit is located in London.

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 surplus for the year, shown on page 10 was £339,952 (2012: £(22,903)). Funds at the end of the year were £10,672,808 (2012: £9,559,962), an increase of £1,112,846 in the year, being net realised and unrealised gains on property and investments.

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 2013, the Centre had a deficit on unrestricted reserves of £555,315 (2012: £886,633).

Fund-raising activities

The Centre received donations of £807,065 (2012: £954,263) during the year. No endowment donations were received in the year.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2013 (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.

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.

Yarnton Manor is a residential academic community that provides opportunities for scholars in Jewish studies, from around the world, to live, work and collaborate on research projects.

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 and/or helping fundraising and providing expertise in areas needed by the Centre.

The Centre is devoting considerable effort to strengthening its financial position through reducing costs and increasing revenues.

Objective 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 and parts of the world.

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 particular, the Centre is 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. The MSt course is open to all who meet the admission requirements, which are based on scholarly attainment and potential, and various bursaries are available.

The Centre also holds lectures, symposiums and conferences, many 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 throughout the world.

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 2013 (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.

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.

Future Plans

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 can fulfil its charitable functions for the promotion of Hebrew and Jewish Studies more effectively by moving into accommodation in central Oxford. Sale of the Yarnton property will much reduce the operating costs of the Centre, and once the Centre has put the proceeds of the sale into endowment funds, the income from the endowment will be sufficient for the Centre to carry out all its current programmes without recourse to annual fundraising to cover operating costs. Future 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.

In the 1970s, the estate was used by the Centre mainly for housing visiting academics who travelled into central Oxford to work, but from the mid 1980s the Centre has made increasing use of the estate to house students, research groups, the Leopold Muller Memorial Library, and administrative offices. The estate has never been used more productively than in the past five years, during which the Centre has housed in Yarnton the Oxford Seminars of Advanced Jewish Studies, involving long-term residential research groups, fully funded initially by the Rothschild Foundation Europe and now by the Dorset and Polonsky Foundations.

The prestige of these scholarly activities in Yarnton has helped to establish 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, but it has not proved financially sustainable.

The burden of including a sum to maintain the estate in the Centre's regular operating costs without sufficient guaranteed income has proved too onerous a fundraising target. For a long time the Centre has had to be rescued each year from a serious annual deficit by emergency donations from Governors, and in the past year, it has relied on income from property sales. The realisation of some capital together with reduction in expenditure should ensure that the Centre can operate on a more sustainable basis.

The Centre has maintained a presence in central Oxford since its foundation to provide teaching for the University and to provide offices close to colleagues in adjacent disciplines for its core teaching and research fellows.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2013 (Continued)

Future Plans (continued)

From the 1970s to 1999, the Centre rented 45 St Giles' from St John's College. The Centre's administration was housed in this building until the mid 1980s, when it was moved to Yarnton.

In 1999 the Centre's core teaching and research fellows were moved from 45 St Giles' to the Oriental Institute in Pusey Lane, where they were housed by the University in return for a benefaction of £750,000 donated by the Centre to the University to put an extra floor onto the Oriental Institute building. Under this arrangement, the Centre's core fellows have been since 1999 University employees, with their salaries funded by an annual grant from the Centre.

The 1999 agreement between the Centre and the University requires the University to provide to Hebrew and Jewish Studies 244 sq.m. of office space in central Oxford. This amount was more than the Centre required in 1999 and designed to allow provision to grow over the years. Such growth has not taken place, and the full 244 sq.m. allocation has not yet been taken in full.

In early 2014 the Yarnton Manor estate will be put up for sale. Governors are planning to fulfil the Charity's objectives by relocating the Centre's activities to offices in central Oxford with funding provided by endowment income.

- The Centre currently holds £7.3m in endowment funds with investment managers. Once a large proportion of the proceeds from the sale of the Yarnton estate has been added to this endowment, the Centre will be able to fulfil from endowment income all of its current programmes which are not funded by specific grants. The Trustees of the Charles Wolfson Charitable Trust have agreed not to exercise the pre-emption clause in the 1991 agreement and instead to allow the Centre to retain considerably more than half the sum realised by the sale of the estate.
- The University has agreed to provide the Centre with accommodation in the Clarendon Institute in central Oxford with sufficient office and teaching space to meet its needs above the 244 sq.m. required by the 1999 agreement and to house the collections of the Leopold Muller Memorial Library on long-term loan.

Arrangements are now in hand for the surveying and measuring of land and buildings. It is expected that sale particulars will be available for marketing purposes by March 2014.

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;

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2013 (Continued)

Governors' responsibilities (continued)

- 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.

Investment funds

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

1. Securities : Endowment Portfolios, Valuations at 31 July 2013

	OCHJS	The Yarnton Trust	Total 31 July 2013 £	Increase/(Decrease) in the year £	Income in the year £
Permanent	62%	38%	1,472,169	217,462	61,348
Expendable	77% (MCA)	23%	5,088,841	754,588	192,610
Miscellaneous	100%		51,754	5,308	2,185
Miscellaneous	100%		693,544	(56,656)	67,750

2. Property : Endowment- property investment.

At 31 July 2013 two properties were owned by the Centre with a total value of **£1,215,000**.

After the year end, on 1 August 2013, the sale of Perry Orchard was completed.

Perry Orchard was an MCA Fund investment (partly expendable endowment) and the sale was completed for £640,000 at a gain of £75,000.

- 3. Loan :** The Centre has repaid the third instalment of £80,000 this year in respect of the loan of £800,000 obtained from the MCA fund in 2009/10. At 31 July 2013, the amount still outstanding is £560,000.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2013 (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 2012 to the date of this report, unless otherwise stated. In accordance with the Articles of Association, The Lord Fink, The Lord Guthrie, Mr Joseph, Mr Patterson, Mr Peltz and Mr Polonsky resign and being eligible offer themselves for re-election.

The Lord Fink of Northwood (Co-Chairman)
Mr George Pinto (Co-Chairman)
Professor Hugh Williamson (Vice-Chairman)
Dr David Ariel (President) (on sabbatical from 1 August 2013)
Professor Martin Goodman (Acting President from 1 August 2013)
Field Marshall The Lord Guthrie of Craigiebank
Dr Sondra Hausner (appointed 3 December 2012)
Mr David Joseph
Mr David Lewis
Dr Laurent Mignon (appointed 3 December 2012)
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
Dr David Taylor (resigned 3 December 2012)
Mr Michael Ullmann (appointed 4 March 2013)
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 current appointees are Dr Sondra Hausner and Professor Hugh Williamson.

The Oriental Studies Board of the University of Oxford (two members). The current appointees are Professor Martin Goodman and Dr Laurent Mignon.

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

Perry Orchard formed part of the MCA partly expendable endowment fund. Prior to completion of the sale Governors agreed that the cash could be regarded as on loan to unrestricted funds pending the sale of the Yarnton Manor estate. An interest rate of 2.9% over base was agreed. On 1 August 2013 the sale of Perry Orchard was completed.

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 Company.

Approved by the Board of Governors on 9 December 2013 and signed on its behalf by


.....
Professor Martin Goodman, Acting 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 2013 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 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 charitable company's affairs as at 31 July 2013, 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

10 December 2013

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2013

	Note	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Income							
<i>Incoming resources from generated funds</i>							
Voluntary income	2.1	403,949	-	403,116	-	807,065	954,263
<i>Activities for generating funds</i>	2.2	35,221	-	-	-	35,221	39,096
<i>Investment income</i>	2.3	117	-	2,574	379,966	382,657	380,968
<i>Incoming resources from charitable activities</i>	2.4	89,832	79,064	422,855	-	591,751	440,718
Total incoming resources		529,119	79,064	828,545	379,966	1,816,694	1,815,045
Resources expended							
<i>Cost of generating funds</i>							
	3	246,117	-	-	42,611	288,728	317,753
<i>Charitable activities</i>	4	666,286	77,483	1,018,614	-	1,762,383	1,494,009
<i>Governance costs</i>	5	101,861	-	-	-	101,861	103,322
Total resources expended		1,014,264	77,483	1,018,614	42,611	2,152,972	1,915,084
Net (outgoing)/incoming resources before transfers		(485,145)	1,581	(190,069)	337,355	(336,278)	(100,039)
Net transfers between funds	15 / 19	816,463	(7,829)	204,951	(1,013,585)	-	-
Net (outgoing)/incoming resources before revaluations and investment asset disposals		331,318	(6,248)	14,882	(676,230)	(336,278)	(100,039)
Fixed assets – gain on disposal		-	-	-	546,811	546,811	-
Fixed asset investments net realised gains/(losses)	11	-	-	-	(11,386)	(11,386)	(28,688)
Fixed asset investments net unrealised gains/(losses)	11	-	-	-	913,699	913,699	(352,993)
Net movement in funds for the year		331,318	(6,248)	14,882	772,894	1,112,846	(481,720)
Fund balances at 1 August 2012		(886,633)	72,716	278,273	10,095,606	9,559,962	10,041,682
Fund balances at 31 July 2013		(555,315)	66,468	293,155	10,868,500	10,672,808	9,559,962

The notes on pages 13 to 27 form part of these accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2013

	2013 £	2012 £
Gross income from continuing operations – unrestricted, restricted and designated funds	1,436,728	1,434,309
Transfer from endowment funds	1,013,585	424,300
Total expenditure of continuing operations	(2,110,361)	(1,881,512)
Total net income/(expenditure) for the year	339,952	(22,903)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2013

	2013 £	2012 £
Net income/(expenditure) from Income and Expenditure account (as above)	339,952	(22,903)
Capital increases/(decreases) in endowment funds	(676,230)	(77,136)
Net realised gains/(losses) on endowment fund investment	535,425	(28,688)
Total realised net gains/(losses) for the year	199,147	(128,727)
Net unrealised gains/(losses) on endowment fund investments	913,699	(352,993)
Total recognised net gains/(losses) for the year	1,112,846	(481,720)

The notes on pages 13 to 27 form part of these consolidated accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

BALANCE SHEET AS AT 31 JULY 2013

	Note	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9	2,538,924		2,606,732	
Other tangible fixed assets – endowment properties	10	1,215,000		1,215,000	
Investments	11	7,312,719		6,387,038	
			11,066,643		10,208,770
Current assets					
Debtors – falling due within one year	12	101,512		111,090	
Bank deposit – general		327,493		319,877	
		429,005		430,967	
Current liabilities					
Creditors – falling due within one year	13	(444,613)		(473,456)	
Bank overdraft	13	(198,483)		(491,075)	
		(643,096)		(964,531)	
Net current liabilities			(214,091)		(533,564)
Total assets less current liabilities			10,852,552		9,675,206
Creditors – falling due after more than one year	14		(179,744)		(115,244)
Net assets			10,672,808		9,559,962
Capital funds					
Endowments	15		10,868,500		10,095,606
Income funds					
Unrestricted	16		(555,315)		(886,633)
Designated	17		66,468		72,716
Restricted	18		293,155		278,273
			10,672,808		9,559,962

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 9 December 2013



Professor Martin Goodman, Acting President

The notes on pages 13 to 27 form part of these accounts.

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

RECONCILIATION OF FUNDS
FOR THE YEAR ENDED 31 JULY 2013

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
At 1 August 2012	(886,633)	72,716	278,273	10,095,606	9,559,962	10,041,682
Movements in year	331,318	(6,248)	14,882	772,894	1,112,846	(481,720)
At 31 July 2013	(555,315)	66,468	293,155	10,868,500	10,672,808	9,559,962
Represented by:						
Fixed assets	751,732	-	-	1,787,193	2,538,925	2,606,732
Endowment property	-	-	-	1,215,000	1,215,000	1,215,000
Investments	-	-	-	7,312,719	7,312,719	6,387,038
Debtors	101,512	-	-	-	101,512	111,090
Bank deposit	(392,531)	66,468	659,968	-	333,905	319,877
Creditors	(155,545)	-	(187,069)	(6,412)	(349,026)	(473,456)
Bank overdraft	(198,483)	-	-	-	(198,483)	(491,075)
Long term liabilities	-	-	(179,744)	-	(179,744)	(115,244)
Inter-fund loan, long term (*)	(480,000)	-	-	480,000	-	-
Inter-fund loan, short term	(80,000)	-	-	80,000	-	-
Short term loan	(102,000)	-	-	-	(102,000)	-
	(555,315)	66,468	293,155	10,868,500	10,672,808	9,559,962

(*) 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. The fourth of ten repayments will be made in 2013/14.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

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 2013

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. The Governors can only consider with reasonable certainty a budgetary period of twelve months from the year end due to the difficulty in securing voluntary income for unrestricted funds.

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 2013

2.1 Voluntary income comprises

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Donations	387,724	-	403,116	-	790,840	738,600
40th Anniversary Dinner	16,225	-	-	-	16,225	215,663
	403,949	-	403,116	-	807,065	954,263

Reconciliation of voluntary income received in the year

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Total income received in year	403,949	-	305,866	-	709,815	876,389
Deferred to future years (note 13)	-	-	-	-	-	(4,030)
Released from earlier years (note 13)	-	-	161,750	-	161,750	153,486
Amounts received in advance (note 14)	-	-	(64,500)	-	(64,500)	(71,582)
	403,949	-	403,116	-	807,065	954,263

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 2013 £	Total 2012 £
Dividends and interest	117	-	2,574	323,891	326,582	380,968
Income from properties	-	-	-	56,075	56,075	-
	117	-	2,574	379,966	382,657	380,968

2.4 Incoming resources from charitable activities

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Conferences, student fees, accommodation and library funding	89,832	13,631	295,949	-	399,412	275,823
Looted Art Research Unit	-	-	126,906	-	126,906	100,625
Journal of Jewish Studies	-	65,433	-	-	65,433	64,270
	89,832	79,064	422,855	-	591,751	440,718

3 Costs of generating funds

	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Advertising and fundraising	131,225	-	-	-	131,225	123,943
40th Anniversary Dinner	-	-	-	-	-	52,985
Fundraising events	13,225	-	-	-	13,225	-
Postage and stationery	11,992	-	-	-	11,992	9,130
Printing	9,710	-	-	-	9,710	10,880
Support costs	79,965	-	-	-	79,965	87,063
	246,117	-	-	-	246,117	284,001
Investment management	-	-	-	42,611	42,611	33,752
Investment management fees	-	-	-	-	-	-
	246,117	-	-	42,611	288,728	317,753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

4 Charitable activities	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Academic	250,709	71,503	397,634	-	719,846	712,973
Yarnton Manor Estate facilities	336,892	4,282	102,543	-	443,717	412,119
Master of Jewish Studies degree	-	178	290,532	-	290,710	113,899
Library	78,685	1,520	57,429	-	137,634	129,400
Looted Art Research Unit	-	-	138,806	-	138,806	102,830
Hebrew and Jewish Studies Unit	-	-	26,933	-	26,933	22,788
IHPS (lectures)	-	-	2,693	-	2,693	-
APJ (Assoc for Philosophy Judaism)	-	-	2,044	-	2,044	-
	666,286	77,483	1,018,614	-	1,762,383	1,494,009

5 Governance costs	Unrestricted £	Designated £	Restricted £	Endowment £	Total 2013 £	Total 2012 £
Finance charges	18,626	-	-	-	18,626	26,888
Professional charges	28,661	-	-	-	28,661	18,135
	47,287	-	-	-	47,287	45,023
Internal governance costs	54,574	-	-	-	54,574	58,299
	101,861	-	-	-	101,861	103,322

Professional charges include audit fees of £10,000 (2012: £9,600).

6 Further analysis of total resources expended, between staff and other costs	Staff costs £	Other costs £	Total 2013 £	Total 2012 £
Costs of generating funds	76,773	211,955	288,728	317,753
Charitable activities				
Academic	363,390	356,456	719,846	712,973
Yarnton Manor Estate Facilities	255,503	188,214	443,717	412,119
Master of Jewish Studies Degree	56,084	234,626	290,710	113,899
Library	100,770	36,864	137,634	129,400
Looted Art Research Unit	73,518	65,288	138,806	102,830
Hebrew and Jewish Studies Unit	5,407	21,526	26,933	22,788
IHPS, lecture series	-	2,693	2,693	-
APJ (Assoc for Philosophy of Judaism)	-	2,044	2,044	-
	854,672	907,711	1,762,383	1,494,009
Governance costs				
Finance and professional charges	-	47,287	47,287	45,023
Internal governance costs	49,070	5,504	54,574	58,299
	49,070	52,791	101,861	103,322
	980,515	1,172,457	2,152,972	1,915,084

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

7 Governors' remuneration

The President		
	2013	2012
	£	£
Salary (excluding employer's national insurance)	78,833	85,400
Bonus	20,000	20,000
Employer's national insurance contributions	13,461	14,443
Personal pension	6,268	6,465
Other benefits – private health care	8,601	6,307
	<u>127,163</u>	<u>132,615</u>

Expenses of £17,080 (2012: £17,864) were reimbursed to or paid on behalf of the President. This includes the cost of overseas travel expenses of £12,134 and UK travel of £3,032 in relation to fundraising.

Professor M Goodman is a Fellow and Governor. He received a teaching stipend from the Centre of £2,000 (2012: £2,000) and was reimbursed £306 (2012: £145) for expenses incurred on behalf of the Centre.

Ms A Webber, a Governor of the Centre, received £45,000 to manage the Looted Arts Project and was reimbursed travel expenses of £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 £2,033.98 (2012: £2,104).

8 Staff costs

	2013	2012
	£	£
Wages and salaries	814,211	747,200
Social security costs	63,374	69,447
Other pension contributions	102,930	88,689
	<u>980,515</u>	<u>905,336</u>

The above amounts include Governors' remuneration.

There were no employees other than the President earning over £60,000 per annum.

Research stipends of £32,814 (2012: £49,077) were paid to visiting academics.

Salary grants of £166,355 (2012: £166,984) were paid to the University of Oxford which remunerated five of the Centre's Fellows, (none of whom were Governors during the period).

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

	2013		2012	
	Full-time	Part-time	Full-time	Part-time
Academic	6	5	5	5
Library	-	4	3	1
Administration	9	4	6	5
Domestic and maintenance	5	5	6	5
	<u>20</u>	<u>18</u>	<u>20</u>	<u>16</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

9 Tangible fixed assets

	2013 £	2012 £
Freehold land and buildings at 1 August 2012		
Manor Farm - land	485,000	485,000
Manor Farm - buildings	751,731	751,731
	1,236,731	1,236,731
 Yarnton Manor Estate		
- Yarnton Manor	1,000,000	1,000,000
- Ricardo House	370,000	370,000
	1,370,000	1,370,000
Disposals		
Manor Farmland	39,576	-
Yarnton Manor	28,232	-
	67,808	-
 Freehold land and buildings at 31 July 2013	2,538,923	-
 Books and equipment		
Library collections	1	1
	2,538,924	2,606,732

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

A pre-emption right established at the time of the Centre's purchase of Yarnton Manor (for £1,000,000) on 7 May 1992 from The Charles Wolfson Charitable Trust (the "Trust") entitled the Trust to a right of first refusal if at any time in the period of 50 years from 7 May 1992 to 6 May 2042 the Governors of the Centre decided to sell Yarnton Manor. The purchase price to be paid by the Trust was set at £1,000,000.

A separate pre-emption agreement dated 22 November 2002 between the Centre and the Trust granted the Trust a right of pre-emption over separate land owned by the Centre to the North and South of Yarnton Manor. This second right of pre-emption was in a similar form to that contained in the 1992 pre-emption right. The two rights of pre-emption were each novated in December 2004 in favour of Benesco Charity Limited ("Benesco").

Following a rejected offer to sell made by the Centre to Benesco on 6 January 2009, the land to the South of Yarnton Manor was released from the 2002 pre-emption agreement (as novated in December 2004).

When the Governors decided in July 2013 to sell the Yarnton Manor estate as a whole, they requested Benesco to review the pre-emption rights, and a memorandum of understanding between the Centre and Benesco was entered into on 17 January 2014. This agreed that, on the sale of Yarnton Manor, the first £2,538,610 of the sale proceeds will be due to the Centre (constituting £1,000,000, plus the costs incurred by the Centre in building Ricardo House in 1993 of £370,000, with both figures adjusted for inflation), with the rest of the sale proceeds to be divided between Benesco and the Centre equally.

Manor Farm

In November 2002, the Centre received a gift of land from the Charles Wolfson Charitable Trust, adjacent to the Yarnton Manor Estate on which a library storage facility and two residential units have been built. The value of this development is shown at the value of land and the cost of construction.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

9 Tangible fixed assets (continued)

Impairment review

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

Insured value

The total sum insured of the Centre's assets, which are used to promote the objectives of the Charity, at 31 July 2013 was £26,966,707 (2012: £26,568,528).

10 Other tangible fixed assets – endowment properties

	2013 £	2012 £
Perry Orchard	565,000	565,000
Manor Farm, Phase 2	650,000	650,000
	<u>1,215,000</u>	<u>1,215,000</u>

Perry Orchard was purchased in July 2004 and Manor Farm, Phase 2 was completed in 2009.

11 Movement in fixed asset investments

	2013 £
Market value at 1 August 2012	6,387,038
Disposals	(986,989)
Additions	1,017,117
Change in cash held by investment managers	(6,760)
Realised gains/(losses)	(11,386)
Unrealised gains/(losses)	913,699
Market value at 31 July 2013	<u>7,312,719</u>

Included above are the following investment assets:

	2013 £	2012 £
Investment assets inside the United Kingdom	6,368,615	5,036,129
Investment assets outside the United Kingdom	944,104	1,350,909
	<u>7,312,719</u>	<u>6,387,038</u>

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
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12	Debtors Due within one year	2013 £	2012 £
	Debtors	14,016	11,970
	Prepayments and accrued income	87,496	99,120
		<u>101,512</u>	<u>111,090</u>

13	Creditors Due within one year:	2013 £	2012 £
	Creditors - suppliers	30,291	29,279
	Other creditors – taxation and social security	35,368	28,366
	Accruals	62,131	53,023
	Payments received in advance	77,754	63,969
	Deferred income	137,069	298,819
		<u>342,613</u>	<u>473,456</u>
	Loans	102,000	-
	Bank overdraft	198,483	491,075
		<u>643,096</u>	<u>964,531</u>

The bank overdraft is 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 £	Library £	Total £
Opening balance at 1 August 2012	294,789	4,030	-	298,819
Released during the year	(157,720)	(4,030)	-	(161,750)
Closing balance at 31 July 2013	<u>137,069</u>	<u>-</u>	<u>-</u>	<u>137,069</u>

14 **Creditors**
Due after one year:

The Sidney Brichto Fellowship in Israel Studies

Fundraising continues for this new post which was advertised during the year. An anticipated appointment in 2011/12 did not take place. Following re-advertisement, the post has now been filled and was taken up on 1 September 2013. The balance is made up as follows:

	2013 £	2012 £
Opening balance at 1 August 2012	165,244	93,662
Donations received (including gift aid)	64,500	71,582
Transferred to amounts due within one year (see note 13)	(50,000)	(50,000)
Closing balance at 31 July 2013	<u>179,744</u>	<u>115,244</u>
Total donations pledged but not received to 31 July 2013	<u>195,434</u>	

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

15 Endowment Funds	Balance 31 July 2012	Management fees/ agent's and legal fees	Sale of property/ loan repayment	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 2013
	£	£	£	£	£	£	£	£	£
EXPENDABLE AND PARTLY EXPENDABLE ENDOWMENTS									
Applied for the purchase of property									
Stiftung Benevolus	1,000,000	(32,692)	(567,556)	-	-	-	571,768	-	971,520
Anonymous	370,000	-	-	-	-	-	-	-	370,000
	1,370,000								1,341,520
Gift of land – Manor Farm	485,000	(2,689)	(47,063)	-	-	-	10,424	-	445,672
MCA Fund – property	565,000	-	-	21,945	(21,945)	-	-	-	565,000
J M Finn investments: The MCA/Muller endowments									
MCA Fund – securities	3,313,203	(22,802)	80,000	147,722	(145,222)	(2,500)	9,042	533,193	3,912,636
The Leopold Muller Memorial Library fund (The Yarnton Trust)	1,021,050	(6,811)	-	44,888	-	(44,888)	2,701	159,265	1,176,205
	4,334,253	(29,613)	80,000	192,610	(145,222)	(47,388)	11,743	692,458	5,088,841
Loan									
MCA fund, loan to working capital	640,000	-	(80,000)	-	-	-	-	-	560,000
The Polonsky Foundation, equities	750,200	(4,084)	-	67,750	-	(86,750)	(32,341)	(1,231)	693,544
David Patterson Lecture Series, equities	46,446	(304)	-	2,185	-	(2,185)	(74)	5,686	51,754
Total MCA/Muller fund, Polonsky and DP Lecture Series	6,335,899	(34,001)	-	284,490	(167,167)	(136,323)	(20,672)	696,913	6,959,139
Total expendable and partly expendable endowments	8,190,899	(69,382)	(614,619)	284,490	(167,167)	(136,323)	561,520	696,913	8,746,331
PERMANENT ENDOWMENTS									
J M Finn investments Library									
Catherine Lewis & Simon Davis Library Fund	104,418	(717)	-	5,105	-	(5,105)	772	18,041	122,514
HRO Library Fund	18,291	(126)	-	894	-	(894)	135	3,160	21,460
Isaiah Berlin Library Fund	13,140	(90)	-	642	-	(642)	97	2,270	15,417
Fellowships/scholarships,									
David Patterson Fellowship in Jewish Law	328,474	(2,254)	-	16,060	-	(16,060)	2,429	56,753	385,402
Jacobs Fellowship	107,790	(740)	-	5,270	-	(5,270)	797	18,624	126,471
Mason Lectureship	103,794	(712)	-	5,075	-	(5,075)	767	17,933	121,782
Goldman Lecture fund	13,379	(92)	-	654	-	(654)	99	2,312	15,698
Dov Biegun Scholarship fund, part transferred to property	88,632	(608)	-	4,334	-	(4,334)	657	15,314	103,995
	777,918	(5,339)	-	38,035	-	(38,035)	5,753	134,407	912,739
The Paisner, Leigh, Hyman, Green and Schreiber funds (Yarnton Trust)	476,789	(3,272)	-	23,313	(6,853)	(16,460)	3,534	82,379	559,430
	1,254,707	(8,611)	-	61,348	(6,853)	(54,495)	9,288	216,786	1,472,169
Manor Farm, phase 2, property investment									
Miscellaneous Fund	421,124	-	-	-	-	-	-	-	421,124
Dov Biegun Scholarship Fund	228,876	-	-	34,130	(19,997)	(14,133)	-	-	228,876
	650,000	-	-	34,130	(19,997)	(14,133)	-	-	650,000
Total Permanent Endowment Fund	1,904,707	(8,611)	-	95,478	(26,850)	(68,628)	9,286	216,786	2,122,169
Total All Endowments	10,095,606	(77,993)	(614,619)	379,967	(194,017)	(204,951)	570,806	913,699	10,868,500

OXFORD CENTRE FOR HEBREW AND JEWISH STUDIES

NOTES TO THE FINANCIAL STATEMENTS
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15 Endowment Funds (continued)

	Balance 31 July 2012	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 2013
	£	£	£	£	£	£	£	£
The Yarnton Trust								
– Individual fund values								
Expendable Endowment								
Leopold Muller Memorial Library Fund	1,021,050	(6,811)	44,888	-	(44,888)	2,701	159,265	1,176,205
Permanent Endowments								
Kennedy Leigh Charitable Trust Fund	103,720	(712)	5,071	(5,071)	-	769	17,921	121,698
Leslie Paisner Memorial Fund	36,439	(250)	1,782	(1,782)	-	270	6,296	42,755
David Hyman Fellowship	96,180	(660)	4,703	-	(4,703)	713	16,618	112,851
Frank Green Fellowship	96,180	(660)	4,703	-	(4,703)	713	16,618	112,851
Jacob & Shoshana Schreiber Fellowship	144,270	(990)	7,054	-	(7,054)	1,069	24,926	169,275
	476,789	(3,272)	23,313	(6,853)	(16,460)	3,534	82,379	559,430
Total Yarnton Trust	1,497,839	(10,083)	68,201	(6,853)	(61,348)	6,235	241,644	1,735,635
MCA Fund – summary								
	Balance 31 July 2012	Management Fees	Net Incoming Resources	Reallocations Unrestricted	Reallocations Restricted	Net Realised Gains/Losses	Net Unrealised Gains/Losses	Balance 31 July 2013
	£	£	£	£	£	£	£	£
MCA Fund, aggregate balances	4,518,203	(22,802)	147,722	(145,222)	(2,500)	9,042	533,193	5,037,636

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 2013 (2012: £nil).

At 31 July 2013, the unspent parts of 8% per annum aggregate to £2,547,039 (2012: £2,288,694); and the total grants increased by the UK Retail Prices Index for the relevant periods, amounted to £5,350,145 (2012: £5,224,212) so that the market value of £5,037,636 gave rise to a deficit of £312,509 (2012: £(706,009)) and no capital could then be spent.

16 Unrestricted funds

31 July 2012	Incoming Resources	Transfers	Outgoing Resources	31 July 2013
£	£	£	£	£
(886,633)	529,119	816,463	(1,014,264)	(555,315)

17 Designated Funds

	31 July 2012	Incoming Resources	Transfers	Outgoing Resources	31 July 2013
	£	£	£	£	£
Seminars	-	5,000	(5,000)	-	-
Yarnton Manor Estate Facilities	-	7,111	(2,829)	(4,282)	-
Library training day	-	1,520	-	(1,520)	-
David Patterson Memorial Concert	626	-	-	(178)	448
Journal of Jewish Studies	72,090	65,433	-	(71,503)	66,020
	72,716	79,064	(7,829)	(77,483)	66,468

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18 Restricted Funds

	31 July 2012 £	Incoming resources including transfers £	Reallocation £	Outgoing Resources £	31 July 2013 £
Assoc for Philosophy of Judaism	5,260	-	-	(2,044)	3,216
Conferences and lectures	9,880	2,839	-	(3,987)	8,732
Conferences (Corob)	34,816	50,000	-	(24,271)	60,545
Fellowships, visiting	4,045	-	-	-	4,045
Fellowships, visiting	-	150,753	-	(150,753)	-
Fellowships, permanent	50,599	309,488	-	(273,100)	86,987
Graduate studentship	-	22,720	-	(22,720)	-
Israel lecture series	2,413	3,378	-	(2,693)	3,098
Library fund	-	56,120	-	(56,120)	-
Looted Art Research Unit	46,115	126,906	-	(138,806)	34,215
Master of Jewish Studies degree	123,145	308,717	-	(344,119)	87,743
Other, bank interest	-	2,574	-	-	2,574
L Paisner Fund	2,000	-	-	-	2,000
	278,273	1,033,495	-	(1,018,613)	293,155

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 2013 are represented by:					
Tangible fixed assets	751,731	-	-	1,787,193	2,538,924
Endowment property	-	-	-	1,215,000	1,215,000
Investments	-	-	-	7,312,719	7,312,719
Current assets	(569,501)	66,468	659,968	73,588	230,523
Current liabilities	(737,545)	-	(187,069)	480,000	(444,614)
Liabilities greater than one year	-	-	(179,744)	-	(179,744)
	(555,315)	66,468	293,155	10,868,500	10,672,808

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 2013

21 Pension Commitments

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 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, which 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 2013 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.

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

NOTES TO THE FINANCIAL STATEMENTS
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21 Pension Commitments (continued)

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 trustees have determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. The next formal triennial actuarial valuation is as at 31 March 2014. If experience up to that date is in line with the assumptions made for this current actuarial valuation and contributions are paid at the determined rates or amounts, the shortfall at 31 March 2014 is estimated to be £2.2 billion, equivalent to a funding level of 95%. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

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 has been included, in addition, on account of the variability mentioned above.

As at the valuation date 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 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 2013

21 Pension Commitments (continued)

Member contributions increased

Contributions were uplifted 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%.

The actuary has estimated that the funding level as at 31 March 2013 under the scheme specific funding regime had fallen from 92% to 77%. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions. These are sighted as the two most significant factors affecting the funding positions which have been taken into account for the 31 March 2013 estimation.

On the FRS17 basis, using an AA bond discount rate of 4.2% per annum based on spot yields, the actuary calculated that the funding level at 31 March 2013 was 68%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 55%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where 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:

Assumption	Change in assumption	Impact on shortfall
Investment return	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

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.

NOTES TO THE FINANCIAL STATEMENTS
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21 Pension Commitments (continued)

The trustees believe that over the long-term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set by the trustee are designed to give the fund a significant exposure to equities through portfolios that are diversified both geographically and by sector. The trustee recognises that, putting the issue of the USS fund's size and scale to one side for a moment, it might be theoretically possible to select investments producing income flows broadly similar to the estimated liability cash flows. However, in order to meet the long-term funding objective within a level of contributions that it considers the sponsoring employers would be willing and able to make, it is necessary and appropriate for the trustee to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding what degree of investment risk to take relative to the liabilities, the trustee receives advice from its internal investment team, its investment consultant and the scheme actuary, and importantly considers the ability of the sponsoring employers to support the scheme if the investment strategy does not deliver the expected returns.

The positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities, and the scheme actuary has confirmed that this is likely to remain the position for the next ten years or more. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and most critically the ability of the employers to provide additional support to the scheme should additional contributions be required, enables it to take a longer-term view of its investments. Some short-term volatility in returns can be tolerated and need not feed through immediately to the contribution rate. However, the trustee is mindful of the difficult economic climate which exists for defined benefit pension schemes currently, and the need to be clear about the responses that are available should the deficits persist and a revised recovery plan becomes necessary following the next actuarial valuation of the scheme as at March 2014. The trustee is making preparations ahead of the next valuation to compile a formal financial management plan, which will bring together – in an integrated form – the various funding strands of covenant strength, investment strategy and funding assumptions, in line with the latest guidance from the Pensions Regulator.

At 31 March 2013, USS had over 145,000 active members and the Centre had 12 active members participating in the scheme. The Centre also had 16 active members in the OSPS scheme.

The total pension cost for the Centre was £102,931 (2012: £88,689). The amount payable to the USS scheme was £39,168 (2012: £36,540) and the amount payable to OSPS was £63,763 (2012: £52,148). The contribution rate payable by the Centre was 16% of pensionable salaries for USS and 21.5% of pensionable salaries for the OSPS.

22 Going Concern

Reduction of the deficit on unrestricted funds has been achieved through the sale of property. Following monitoring and review of fundraising results over the past two years, Governors have concluded that it is in the interest of the Charity to dispose of fixed assets in order to raise capital for investment in endowment funds. It is considered that the increase in endowment investments should provide sufficient income for operating activities for future years. A full explanation of Future Plans can be found in the Governors' report on pages 1-6.