

THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2006

Charity Registration No. 252626  
Company Registration No. 894309 (England & Wales)

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THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
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**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND PROFESSIONAL INFORMATION**

**COMPANY NUMBER**  
894309

**REGISTERED CHARITY NUMBER**  
252626

**GOVERNING DOCUMENT**  
Memorandum & Articles of Association

**SECRETARY**  
L. Stanley-Clamp

**PRESIDENT**  
Lord Haskel

**HONORARY PRESIDENT**  
Lord Rothschild OM

**VICE-PRESIDENT**  
W. Frankel CBE

**REGISTERED OFFICE**  
79 Wimpole Street  
London  
W1G 9RY

**DIRECTORS AND BOARD OF MANAGEMENT**  
A. Azulay (appointed 19.9.2006)  
W. Frankel CBE  
P.F. Halban  
Dr. V.R. Harris  
Lady C. Haskel  
Lord Haskel  
J.R. Jacobs  
P.L. Levy OBE (Chairman)  
D. Moisi (appointed 19.9.2006)  
Baroness Neuberger (appointed 21.11.2006)  
H.M. Paisner  
G. Rosenberg (appointed 19.9.2006)  
B.A. Smouha (Treasurer)

**BANKERS**  
Barclays Bank plc  
United Kingdom House  
180 Oxford Street  
London  
W1D 1EA

**AUDITORS**  
Martin May  
Registered Auditors  
and Chartered Accountants  
399 Hendon Way  
London  
NW4 3LH

**INVESTMENT MANAGERS**  
Newton Investment Management Limited  
160 Queen Victoria Street  
London  
EC4V 4LA

**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
CHAIRMAN'S STATEMENT**

During 2006 JPR's Board and Staff adopted a new direction and programmes which focus on the challenges facing the Jewish communities in Europe. This was a logical step for JPR after many years of work devoted to community planning and socio-demographic research on British Jewry, which will remain on our agenda.

JPR's new Europe-oriented programmes were best exemplified by the launch of the pan-European project 'Voices for the *res publica*: Rediscovering the European Common Good' funded by the Ford Foundation. Policy seminars, panel discussions and lectures provided a forum introducing our new programmes and influencing public debates. These events included, for example, timely seminars on *The crisis of multiculturalism: British society between diversity and integration* and on *New trends in world philanthropy*.

I am particularly grateful to our President, Lord Haskel, for his personal commitment and support. I am also extremely grateful to my fellow Honorary Officers and to other members of the JPR Board who review our strategies and monitor the management of JPR's affairs. I am particularly indebted to Brian A. Smouha, JPR's Treasurer. The support of our Honorary President, Lord Rothschild OM, has been a source of great encouragement. We are greatly indebted to all Patrons, Sponsors, Associates, Friends and Members, whose support has been crucial to the success of our work. We are equally grateful to JPR's Staff, whose expertise and dedication constitute the Institute's most important assets, and who have carried through the recent changes at JPR with outstanding commitment to the Institute.

While successful fundraising efforts and cost cutting measures in 2006 have helped to put JPR on a better financial footing and we continue to enjoy the benefits of the income from the MCA Endowment fund, the challenge of securing adequate funding for research projects and our core funding remain a high priority.

Peter L. Levy  
July 2007



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2006**

The Directors present their Annual Report together with the Audited Financial Statements for the year ended 31 December 2006. The Institute for Jewish Policy Research is a company limited by guarantee and is registered by the Charity Commission under registration number 252626.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Institute for Jewish Policy Research (JPR) is a registered charity and a company limited by guarantee. JPR is governed by its Memorandum and Articles of Association, and by the regulations of the Charity Commission and company law.

JPR governance structure consists of the Board of Directors/Trustees and a working group of Honorary Officers (Chair, President, Treasurer), who oversee management matters. Members of the Board are non-executive directors of the company and trustees of the charity. They determine the overall direction of JPR, provide leadership and fulfil their fiduciary responsibilities.

Members of the JPR Council are members of the company. Council members include Patrons, Associates as well as current and retired Board Members.

Appointment to the Board is for a three-year term. Members can serve for two consecutive terms and, after a break of one year, they can be invited to serve for a further term of three years. The Honorary Officers serve for two consecutive three-year terms, after which they can be invited to rejoin the Board. The Directors are appointed to the Board on the recommendation of the Chairman but require approval by the Board. On co-option to the Board, the Directors receive the JPR Governance Handbook, which outlines JPR's structure and the responsibilities of Board members, and up-to-date documentation on the Institute's aims and programmes.

The Board appoints the Executive Director, who reports to the Board on the substantive areas of his/her running of the Institute. The Board appoints the Company Secretary and oversees his/her work in matters of compliance with company and charity law. While day-to-day matters are delegated to the staff, all substantive decisions are referred to the Board for approval. Risk Management is reviewed regularly by staff and a Risk Register is submitted to the Trustees for their approval.

The Members of the Board of Directors who served during 2006 are:-

D.W. Finkelstein OBE (resigned 6 March 2006)  
W. Frankel CBE  
P.F. Halban  
Dr. V.V.R. Harris  
Lady C. Haskel  
Lord Haskel  
J.R. Jacobs  
P.L. Levy OBE (Chairman)  
H.M. Paisner  
B.A. Smouha (Treasurer)  
A.M. Spitz (resigned 19 January 2007)



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (Continued)**

**OBJECTIVES AND ACTIVITIES**

The Institute's aims and objectives as set out in its governing document are as follows: 'the advancement of education in the field of human relationships, with particular reference to the history and social conditions of the Jewish people. In pursuance of these aims we engage in several research projects, the publication of scholarly periodicals and reports, and the organisation of lectures, seminars, conferences and symposia.'

Since 1996, the Institute's strategy for achieving these aims has been to operate as an independent think tank that informs and influences policy, opinion and decision-making on social, political and cultural issues affecting Jewish life.

In March 2006, a new Executive Director, Antony Lerman, was appointed. The Trustees had decided (at the end of 2005) that JPR's strategy should be focused on Europe as a whole and the new Director was charged with the task of developing a plan to implement the new direction.

In April 2006, a strategic plan was approved at a special extended meeting of the Board. The plan laid out JPR's overall mission as helping to secure the Jewish future in Europe through the development of policy ideas and proposals which will benefit Jewish communities and the wider society. JPR would be working for an inclusive Europe, where difference is cherished and common values prevail.

JPR staff then spent the following few months fleshing out the plan, which was launched at a 10<sup>th</sup> anniversary dinner at the Foreign & Commonwealth Office on 18 October, with James D. Wolfensohn KBE as guest of honour. During this period and in the last months of 2006, efforts were made to raise funds for the implementation of the programme and activities planned under the programme's various tracks for 2007.

The methodology for implementing the plan involved: maintaining a small but highly expert core staff; outsourcing policy-research work on a contract basis to appropriate experts across Europe; collaborating with other think tanks and research institutes in Europe; organising a series of ongoing policy seminars.

**ACHIEVEMENTS AND PERFORMANCE**

In 2006 JPR set itself the task of developing and launching its new, Europe-oriented programme: reducing the budget to more manageable proportions; raising additional funds to enable commencement of work on the new programme; implementation of the 'Voices for the res publica' project under the director of Dr. Diana Pinto in Paris; completing research on the data on the Jewish population from the 2001 Census of England and Wales.

All of these targets were met:

A new brochure outlining the new programme, entitled *The Jewish Future in Europe*, was published in October and released at the 10<sup>th</sup> anniversary dinner. Copies were then distributed more widely.

Two members of staff had to be made redundant as a result of programme changes and the need to reduce the budget. Other cost savings were also introduced.

New funds were forthcoming from the Ford Foundation for the *res publica* project and from the Rich Foundation for the overall policy research programme. The 10<sup>th</sup> anniversary dinner was also a successful fundraising event. Funds in excess of £100,000 were raised.

**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (Continued)**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

After considerable planning and preparation, the 'Voices for the *res publica*' project was initiated with a pan-European Jewish round table conference at Missenden Abbey in December. This was a highly successful event which laid the groundwork for the five national roundtables taking place in 2007.

The draft of the report *Jews in Britain: a snapshot from the 2001 census* was completed by the authors in December. Editing of the manuscript began and plans were laid for launch of the report in Spring 2007.

In addition, the meetings programme continued. Among the events were the annual Leigh Lecture, delivered by Sir Martin Gilbert, and a panel discussion at the Jewish Museum on 'The Peculiar Nature of Anglo-Jewry', with Baroness Ruth Deech, Professor David Cesarani and Ned Temko of the *Observer*.

**PLANS FOR THE FUTURE**

The Institute's priority is to continue with the implementation of the new European programme. This includes:

- Taking the Voices for the *res publica* project to a second stage with round table discussions in 5 more European countries, and developing follow-up projects in each country. Discussions are already underway with the UK think tank Demos to continue the process and also to conduct a Europe-wide research project on the participation of young people from ethnic minorities in politics;
- Finalising plans with BenGurion University for workshops on the relationship between the Middle East, the European Union and Jewish communities in Europe;
- Further deepening and broadening the programme by carrying out other planned policy-research projects as and when funds become available.

A project mapping Jewish child poverty services and gaps in provision in the UK is at the funding search stage and plans to commence work in late autumn are being prepared. Also in the UK, a follow-up project using the findings of the report *Jews in Britain: a snapshot from the 2001 census* is at the planning stage.

The modernisation of JPR's dissemination procedures will continue so that policy research papers and findings can be more easily targeted at specific audiences.

Governance will be strengthened with the appointment of new members of the Board of Trustees.

Efforts to find new sources of funding for research projects and for core activities will continue and it is hoped that preparatory work already done in this area will bear fruit towards the end of the year.

**POWERS OF INVESTMENTS**

All monies of the Institute not immediately required for any payment may be invested by the Board in such investments as the Board from time to time think proper or may be placed on deposit with any bank.

**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS (Continued)**

**RISK ASSESSMENT**

The Directors have identified the main risks that the charity is exposed to and have taken steps to mitigate them.

**FINANCIAL REVIEW FOR THE YEAR**

The Chairman's Statement on pages 3 and 4 provides a summary of activities during the year. The results for the year are shown in the Statement of Financial Activities on page 10.

**INVESTMENT POLICY**

The Directors undertook to operate within the terms of the Endowment Fund. The Board decided to delegate the management of the funds to independent investment managers. The independent investment managers were instructed to invest the funds for maximum long term total return.

The Board also adopted an ethical policy for the investment of these funds, namely, not to invest in any companies involved in the manufacture and distribution of tobacco and arms or any companies involved in the boycott of Israel.

The Board reviews, from time to time, its cash resources and endeavours to maximise interest from funds not required in the short term.

The charity is entitled to the income of the MCA Endowment Fund and has restricted rights over the capital.

**RESERVES POLICY**

The Directors have adopted a policy to ensure the charity's reserves will cover necessary costs and commitments during an unforeseen period of difficulty. The Directors aim to maintain or hold the level of reserves equivalent to three months of expenditure. At this level the Directors feel they will be able to continue the current activities of the charity in the event of a significant drop in funding. This level of reserves was achieved by the end of the year.

**ASSET COVER FOR FUNDS**

Note 15 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year.



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS (Continued)**

**Statement of Directors' Responsibilities (continued)**

In preparing these accounts, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**AUDITORS**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Martin May be reappointed as auditors of the company will be put to the Annual General Meeting.

By Order of the Board

**L. STANLEY-CLAMP**  
Secretary



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of The Institute for Jewish Policy Research (a company limited by guarantee) for the year ended 31 December 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The responsibilities of the directors for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

**BASIS OF AUDIT OPINION**

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

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



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE) (Continued)**

**OPINION**

In our opinion:-

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Report of the Directors is consistent with the financial statements.

**MARTIN MAY  
Registered Auditors  
and Chartered Accountants  
399 Hendon Way  
London  
NW4 3LH**

2007



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2006	Total 2005
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>						
Voluntary income/activities for generating funds	2	£285,421	£ -	£ -	£ 285,421	£ 173,129
Investment income	3	247,102	-	-	247,102	280,756
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		532,523	-	-	532,523	453,885
Incoming resources from charitable activities	4	71,675	231,265	-	302,940	91,635
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOMING RESOURCES</b>		<b>604,198</b>	<b>231,265</b>	<b>-</b>	<b>835,463</b>	<b>545,520</b>
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>RESOURCES EXPENDED</b>						
Cost of voluntary income/ activities for generating funds	5	90,640	-	-	90,640	-
Charitable activities		465,076	48,522	15,337	528,935	661,334
Governance costs		4,993	-	-	4,993	4,704
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL RESOURCES EXPENDED</b>		<b>560,709</b>	<b>48,522</b>	<b>15,337</b>	<b>624,568</b>	<b>666,038</b>
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS</b>	6	<b>43,489</b>	<b>182,743</b>	<b>(15,337)</b>	<b>210,895</b>	<b>(120,518)</b>
Gains and losses on revaluations and on disposals of investment assets	10	-	-	34,061	34,061	167,234
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET INCREASE IN FUNDS</b>		<b>43,489</b>	<b>182,743</b>	<b>18,724</b>	<b>244,956</b>	<b>46,716</b>
Fund balances at 1 January 2006		105,958	69,882	3,441,183	3,617,023	3,570,307
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES AT 31 DECMEBER 2006</b>		<b>£149,447</b>	<b>£252,625</b>	<b>£3,459,907</b>	<b>£3,861,979</b>	<b>£3,617,023</b>
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.



THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET AT 31 DECEMBER 2006

	Notes	2006	2005
<b>FIXED ASSETS</b>			
Tangible	9	£ 8,905	£ 14,563
Investments	10	3,459,907	3,451,433
		<hr/>	<hr/>
		3,468,812	3,465,996
<b>CURRENT ASSETS</b>			
Debtors	11	£ 40,061	£ 57,181
Cash at bank and in hand		444,736	174,731
		<hr/>	<hr/>
		484,797	231,912
<b>CREDITORS:</b> Amounts falling due within one year:	12	91,630	80,885
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		393,167	151,027
		<hr/>	<hr/>
		£3,861,979	£3,617,023
		=====	=====
<b>FUNDS</b>			
Endowment funds: Permanent	13	£3,459,907	£3,441,183
Unrestricted funds		149,447	105,958
Restricted funds	14	252,625	69,882
		<hr/>	<hr/>
		£3,861,979	£3,617,023
		=====	=====

These financial statements were approved by the Board of Directors on  
and signed on its behalf by:

2007

P.L. LEVY OBE  
Director



**THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006**

**1. ACCOUNTING POLICIES**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice : Accounting and Reporting by Charities issued in March 2005.

**(b) Fund accounting**

Unrestricted funds comprise accumulated surplus and deficits in the General Fund. They are available for use at the discretion of the Board of Directors in furtherance of the Charity's general charitable objectives.

Restricted funds are funds subject to specific restrictions imposed by the donors.

Endowment funds are funds which have been given to the charity subject to the restriction that they are held as capital.

**(c) Incoming Resources**

Voluntary income and income from activities for generating funds are included in the Statement of Financial Activities upon receipt.

Income from charitable activities (including membership subscriptions) are recognised as incoming resources upon receipt.

Investment income is recognised on a receivable basis.

**(d) Resources expended**

Charitable expenditure comprises all expenditure relating to the objectives of the Institute.

Governance costs include audit costs, and legal advice for the directors, and any other costs associated with constitutional and statutory requirements.

Support costs - the amounts disclosed under each of the above categories comprise those costs which are directly attributable to that category together with an apportionment of support costs. Support costs are those costs that are not directly attributable to a single activity but provide the necessary organisational support for all the charity's activities. The support costs have been allocated to the charity's activities of "Research and Publications" and "Meetings and dissemination" purposes.

**(e) Depreciation**

Depreciation is provided on all tangible fixed assets in order to write off their cost by equal annual instalments over their expected useful lives. The rates adopted are as follows:-

Fixtures and equipment - 25% reducing balance  
Computers - 33 1/3 % straight line

**(f) Lease commitments**

Rent paid under operating leases are charged through the statement of financial activities in equal annual instalments over the period of the lease.



THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (Continued)

(g) **Investments**

Listed investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and on disposals throughout the year.

(h) **Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

(i) **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the statement of financial activities.

2. **VOLUNTARY INCOME**

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2006	Total 2005
Donations and gifts	£101,855	£ -	£ -	£101,855	£173,129
Fund raising dinner	183,566	-	-	183,566	-
	-----	-----	-----	-----	-----
	£285,421	£ -	£ -	£285,421	£173,129
	=====	=====	=====	=====	=====

3. **INVESTMENT INCOME**

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2006	Total 2005
General bank interest receivable	£ 8,393	£ -	£ -	£ 8,393	£ 2,135
Income from MCA Permanent Endowment	186,822	-	-	186,822	175,473
Rental income	51,887	-	-	51,887	33,148
Sale of royalty rights	-	-	-	-	70,000
	-----	-----	-----	-----	-----
	£247,102	£ -	£ -	£247,102	£280,756
	=====	=====	=====	=====	=====



THE INSTITUTE FOR JEWISH POLICY RESEARCH  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (Continued)

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2006	Total 2005
Membership	£ 18,342	£ -	£ -	£ 18,342	£ 15,064
Sale of reports	729	-	-	729	9,097
Research projects	52,604	231,265	-	283,869	67,474
	-----	-----	-----	-----	-----
	£ 71,675	£231,265	£ -	£302,940	£ 91,635
	=====	=====	=====	=====	=====

5. TOTAL RESOURCES EXPENDED

	Voluntary Income	Research & Publications	Meetings & Dissemination	Governance	Total 2006	Total 2005
<b>Costs directly allocated to activities:</b>						
Fund raising dinner costs	£ 46,943	£ -	£ -	£ -	£ 46,943	£ -
Staff costs	24,545	-	-	-	24,545	24,545
Research project costs	-	48,522	-	-	48,522	60,090
Lectures and seminars	-	-	4,331	-	4,331	1,734
Website costs	-	-	11,672	-	11,672	1,721
Audit fees	-	-	-	4,993	4,993	4,704
<b>Support costs allocated to activities:</b>						
Staff costs	-	208,630	61,363	-	269,993	351,475
Premises	14,785	98,570	34,500	-	147,855	141,814
General office costs	3,655	24,371	8,531	-	36,557	43,811
Depreciation	712	4,752	1,665	-	7,129	8,116
Legal and professional	-	3,346	3,345	-	6,691	4,528
Investment manager's fees	-	7,669	7,668	-	15,337	23,500
	-----	-----	-----	-----	-----	-----
	£ 90,640	£395,860	£133,075	£ 4,993	£624,568	£666,038
	=====	=====	=====	=====	=====	=====

6. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:-

	2006	2005
Depreciation	£ 7,129	£ 8,116
Auditors' remuneration	4,993	4,704
Operating lease payments - land and buildings	112,500	112,500
	=====	=====
and after crediting:-		
Operating lease rentals received	£ 51,887	£ 33,148
	=====	=====



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7. EMPLOYEES INFORMATION

	2006	2005
<b>Staff costs:</b>		
Salaries	£249,767	£290,962
Social security costs	26,853	31,230
Pension costs (see note 17)	17,918	20,125
	<hr/>	<hr/>
	£294,538	£342,317
	=====	=====
<b>Number of employees:</b>	2006	2005
The average number of employees during the year was:	7	8
	=====	=====
The number of employees whose emoluments fell within the following band was:	2006	2005
£70,000 - £80,000	1	1
	=====	=====

8. BOARD OF DIRECTORS' REMUNERATION AND REIMBURSED EXPENSES

None of the members of the board of directors received remuneration for their services during the year. Neither did they receive reimbursed expenses during the year (2005-nil).

9. TANGIBLE FIXED ASSETS

	Computer Equipment	Fixtures & Fittings	Total
<b>COST</b>			
At 1 January 2006	£ 80,070	£168,901	£248,971
Additions	1,471	-	1,471
	<hr/>	<hr/>	<hr/>
At 31 December 2006	81,541	168,901	250,442
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 January 2006	72,874	161,534	234,408
Charge for the year	5,287	1,842	7,129
	<hr/>	<hr/>	<hr/>
At 31 December 2006	78,161	163,376	241,537
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 December 2006	£ 3,380	£ 5,525	£ 8,905
	=====	=====	=====
At 31 December 2005	£ 7,196	£ 7,367	£ 14,563
	=====	=====	=====

All assets are held for use by the charity.



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10. FIXED ASSETS INVESTMENTS

	2006	2005
Market value		
At 1 January 2006	£3,451,433	£3,528,483
Additions	186,822	174,646
Disposals	(212,409)	(418,930)
Investment gains	34,061	167,234
	-----	-----
At 31 December 2006	£3,459,907 =====	£3,451,433 =====
Cost	£3,268,859 =====	£3,191,856 =====

Investments at market value comprised:

	2006	2005
Equity shares	£ 897,626	£ 826,733
Fixed interest securities	1,650,045	1,907,236
Treasury stock	524,744	680,772
Cash deposits/funds	387,492	36,692
	-----	-----
	£3,459,907 =====	£3,451,433 =====

No investments exceeded 5% of the investment portfolio.  
(2005-5% Treasury Stock - 2008 £533,925)

11. DEBTORS

	2006	2005
Prepayments	£30,298	£35,389
Other debtors	9,763	21,792
	-----	-----
	£40,061 =====	£57,181 =====

12. CREDITORS: Amounts falling due within one year:

	2006	2005
Bank overdraft	£42,277	£48,203
Accruals	49,353	22,432
Other creditors	-	10,250
	-----	-----
	£91,630 =====	£80,885 =====



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13. PERMANENT ENDOWMENT FUND

	1 January 2006	New Designation	Utilised/ Released	31 December 2006
MCA endowment fund	£3,441,183 =====	£ - =====	£ 18,724 =====	£3,459,907 =====

The charity has restricted rights over the capital. The charity is entitled to the total income, realised and unrealised gains, in any financial year as long as these do not exceed 8% of the original grant (£3,466,337) adjusted for inflation.

14. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising of the following unexpended balances of grants held for specific purposes.

	1 January 2006	Incoming Resources	Resources Expended	31 December 2006
European Association for Jewish Culture	£ 69,882	£ 50,170	£ 18,872	£101,180
Voices for the Res Publica project	-	181,095	29,650	151,445
	-----	-----	-----	-----
	£ 69,882 =====	£231,265 =====	£ 48,522 =====	£252,625 =====

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds
Fund balances at 31 December 2006 are represented by:-				
Tangible fixed assets	£ 8,905	£ -	£ -	£ 8,905
Investments	-	-	3,459,907	3,459,907
Current assets	232,172	252,625	-	484,797
Creditors falling due within one year	(91,630)	-	-	(91,630)
	-----	-----	-----	-----
<b>TOTAL NET ASSETS</b>	£149,447 =====	£252,625 =====	£3,459,907 =====	£3,861,979 =====



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16. OPERATING LEASE COMMITMENTS

At the year end, the company had an annual commitment under a non-cancellable operating lease as follows:-

	Land and Buildings	
	2006	2005
<b>Expiry date:</b>		
In more than five years	£112,500	£112,500
	=====	=====

There is a break-clause in the lease so that it can be brought to an end in 2008.

17. PENSION COMMITMENTS

The pension costs charge of £17,918 (2006-£20,125) represents contributions payable by the company to the fund for the year. There were seven employees (2006-7) to whom retirement benefits were accruing under the defined contribution pension scheme.

18. SHARE CAPITAL

The company is limited by guarantee and has no share capital. The liability of its members is limited to £1 per member.

