

British Friends of the Hebrew University of Jerusalem  
Financial Statements  
Year Ended 30 September 2023

Charity registration number: 209691  
Company registration number: 06350828

BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

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BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

REFERENCE AND ADMINISTRATION DETAILS

YEAR ENDED 30 SEPTEMBER 2023

Charity registration number	209691
Company registration number	06350828
Trustees	Jeremy Amias Jenny Arwas MBE Alan Steven Jacobs, Chair Denise Nicole Joseph Isaac Kaye PhD, Hon President Jonathan Andrew David Marks Anthony Graham Page Alan Henry Philipp, Hon Treasurer Joseph Smouha KC Derek Bryan Spitz Benjamin Stowe Simon Tobelem David Mark Wernick
Chief Executive Officer	Nigel Salomon
Registered office	3rd Floor, Marlborough House 298 Regents Park Road London N3 2SZ
Independent Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitor	CH. Hausmann & Co. 5 De Walden Court 85 New Cavendish Street, London W1W 6XD
Bankers	Barclays Bank PLC 28 Hampstead High Street Hampstead London NW3 1QB

The Trustees present their report and the audited financial statements of the charity for the year ended 30<sup>th</sup> September 2023.

The financial statements have been prepared under the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) (Second Edition, effective 1 January 2019).

### Trustees of the charity

The Directors of the charitable company are its Trustees for charity law. The Trustees who have served during the year and since the year-end were as follows:

Jeremy Amias (IC)  
Jenny Arwas MBE (RC)  
Alan Steven Jacobs, Chair (RC, FAC, IC, G)  
Denise Nicole Joseph (FAC)  
Isaac Kaye PhD Hon, President (RC, G)  
Jonathan Andrew David Marks (G)  
Anthony Graham Page  
Alan Henry Philipp, Hon, Treasurer (FAC, RC, IC, GC, G)  
Joseph Smouha KC  
Derek Bryan Spitz  
Benjamin Stowe  
Simon Tobelem (FAC)  
David Mark Wernick (GC, G)

FAC = Finance, Audit & Risk Committee  
G = Hebrew University Governors  
GC = Grants Committee  
IC = Investment Committee  
RC = Remuneration Committee

## Objectives and Activities

The British Friends of the Hebrew University (BFHU) is a registered national charity in England and Wales dedicated to advancing the goals of the Hebrew University of Jerusalem.

### The purposes of BFHU are:

1. fundraising in support of the academic development of the Hebrew University, including research, scholarships, and capital projects that drive academic excellence.
2. promoting awareness and standing of the Hebrew University on the international stage.
3. undertaking events and activities to generate awareness and, in turn, funds for the Hebrew University.
4. serving as a bridge between the Hebrew University and its UK-based supporters, leveraging understanding of the local market, cultural nuances, and regulatory frameworks, to represent the interests and intentions of both parties, enhancing mutual engagement and support.
5. managing and distributing endowment funds in a manner that aligns with donors' wishes. This stewardship ensures that funds continue to support the University's goals as donors intended whilst ensuring fund longevity.
6. establishing and nurturing a vibrant HU UK-based alumni community, unlocking opportunities for supporters and the University.

BFHU aims to operate to the highest professional standards, especially in areas of donor care, marketing, financial management, reputation, and governance.

## Achievements and performance

### Charitable activities

During the year, the Charity made grants to the Hebrew University and to some students directly in the amount of £4.4m (2022: £5.6m). In addition, a small number of grants totalling £244,000 (2022: £244,000) were made to Hebrew University students continuing postgraduate studies in the UK and to UK-based students undertaking courses at the Hebrew University.

### Financial Report

Income totalled £7.7m, including donations remitted directly to the Hebrew University.

BFHU's investment portfolio achieved a blended total positive net return of 8.11% in the 12 months to 30 September 2023. Historically, over a period of 10 years, the organisation has achieved a 5.5% per annum total return, which is above the annual target of 5%. This has allowed the charity to maintain a 3.5% annual distribution to the Hebrew University, supporting the objectives of the BFHU-held endowments whilst maintaining capital growth.

### Highlights of the Year – the Hebrew University of Jerusalem

In the first full academic year post-Covid, Hebrew University teaching and research operated fully face to face including for students from over 70 nationalities at the Rothberg International School. Visitor numbers increased significantly, including a broad spectrum of individual donors, groups, diplomatic and government delegations. Academics and researchers renewed their overseas travel, rebuilding collaborative relationships which had been badly impacted during the period of Covid. The University's leadership and faculty made several visits to Friends organisations including to the UK.

In common with other universities in post-Covid Israel, student numbers reduced, in the case of the Hebrew University by 1000 to 24,000, driven mainly by the areas of nursing and education as the period of Covid is believed to have created an artificial 'bubble' of demand, since when Israelis have returned to the customary period of travel ahead of university, especially those taking up vocational studies.

The University remains committed to securing and retaining minority sector students: Israeli Arabs and East Jerusalemites, Jewish ultra-orthodox students, Ethiopians, those from the periphery of the country along with first-time family members in advanced education. The Hebrew University *mechinot* preparatory schools and the support of the Office of the Dean of Students play a vital role in this undertaking. The University intervened to offset Israeli Government funding cuts, by providing financial support from internal sources to aid these students for one year. Without University intervention numerous students might have been forced to discontinue their studies, leaving them with few viable options.

Faculty numbers remained stable at 1,034.

Following the signing of the Abraham Accords in September 2020, the University continues to deepen bilateral relationships with academia from Morocco, Bahrain, and the Gulf States, in a variety of fields including robotics, AI, biotech, water-tech and agriculture.

The 86th annual International Board of Governors gathering themed 'Sustainable Planet' took place in June in Jerusalem with over 22 Friends Associations represented, including from Israel.

Ongoing major capital projects include:

- the André Cohen Deloro Building for Computational Medicine
- the 150,000 sq. m. High-Tech HUJI Park
- NEQST Innovation Building – a hub for Quantum Computing and Nanotechnology
- the Centre for Climate Studies
- the Institute of Archaeology building renovation
- the Saul & Joyce Brandman Science Laboratories
- the Kennedy Leigh Complex for Ecosystems in Agriculture
- the Einstein House
- the Faculty of Social Sciences expansion in which the Business School component is funded by the British Friends. To view [click here](https://www.bfhu.org/wp-content/uploads/2024/02/business-school-building.png):  
<https://www.bfhu.org/wp-content/uploads/2024/02/business-school-building.png>

A strategic 10-year plan continued to be developed based on key principles.

- academic & research excellence
- internationalisation
- a tolerant and pluralist campus environment
- engagement with the local community
- disseminating knowledge across borders
- 'green campus' meeting the UN's sustainable development goals (SDGs)

Fundraising maintained focus on seven significant themes underpinning the University's 7-year \$1bn centenary campaign: human health, leadership for tomorrow, a better world, internationalisation & collaboration, building capacity, hi-tech Jerusalem, and sustainable planet. At the time of writing, the 'Swords of Iron' war has led to additional needs and reassessment of university priorities (see below).

### Highlights of the Year – the British Friends

Although local and international Zoom meetings and encounters continued, we saw a welcome return to face to face gatherings with over 30 individual visits to the Hebrew University during the year in addition to larger delegations such as ELNET (European Leadership Network) and the annual HU international Board of Governors gathering in Jerusalem.

Under the direction of chair, Alan Jacobs, BFHU lay leadership was further strengthened. The investment committee chair Alan Philipp was succeeded by Jeremy Amias. A new committee member Jonathan Herbert, joined. To enhance governance the Finance, Audit & Risk committee was established headed by trustee Denise Joseph, reporting to the main BFHU board. Reflecting involvement of trustees, patrons and UK governors, nine members attended the June 2023 HU international Board gathering in Jerusalem as part of a larger UK delegation.

Many events took place during the year both virtual and face to face, including with other Friends organisations enhancing the sense of the 'HU international family'. The increasingly popular donor encounters with students and researchers provided further opportunities for much closer and more meaningful relationships, overcoming the challenges of distance.

- Archaeology: in partnership with the Anglo Israel Archaeology Society, on the topic of Advances in DNA Technology and their Contribution to Archaeology in Israel
- Law: in collaboration with Limmud, Prof Yuval Shany speaking on Human Rights for the Digital Age
- Veterinary Science: the HU Veterinary Teaching Hospital: providing care and compassion to animals
- Jewish Studies: the Barbara Sieratzki z"l Memorial Class: A Second Exodus in The Prophets
- Environment: The Food Revolution: HU and the Future of Food
- Politics: first in an events partnership series with JW3, Israel's Constitution - Where Now? With Lord Pannick KC and Prof Yuval Shany

- History: Britain, Palestine, and the Holocaust, held on campus, David Joseph KC
- Design: The London Design Biennale, Somerset House, the Hebrew University's display: 'self-morphing through physics, design and architecture' – supported by the British Friends
- Collaboration: at the June international Board gathering in Jerusalem, a cocktail event of 120 guests with friends from the UK, Europe, Latin and South America

## Fundraising

Against the backdrop of almost 100 years of fundraising the team continues to follow principles of professionalism, respect, gratitude, open communication, and sensitivity to individual donor needs. We encourage encounters with the Hebrew University, ideally campus visits which are generally transformative in connecting with Hebrew University students, researchers, and faculty. The organisation is registered with the Fundraising Regulator and adheres to the Fundraising Code of Practice.

The British Friends is a long-established charity with donor relationships that are often complex and multi-generational. Voluntary funds are generated in several ways, including biannual mailed appeals, special events, estates, and major giving from individual or institutional foundations, including family trusts.

The Hebrew University is a seven-faculty, interdisciplinary institution with diverse needs all aimed at growing academic and research excellence on an international level. British Friends donors have, over many years, developed their own diverse interests. Close engagement with donors and reconciling their interest with the University's priorities have proved fundamental to sustaining long-term relationships.

Annual donations, along with the distribution made from restricted endowment funds, helped to support over 500 scholarships, including, in line with the University's priorities, to minorities such as Haredi, Israeli Arab and East Jerusalemite, Ethiopian and 'first generation' students. These scholarships play a vital role in enabling students to study at the Hebrew University who might otherwise be unable to attend due to financial constraints, especially in the ongoing challenging environment.

Significant support comes from the UK around International Masters Scholarships in Public Health, Agricultural Sciences, and International Development Studies for students from many developing nations across the globe learning new skills and techniques to support their local communities in health, nutrition, and community development.

Research donations similarly addressed most Faculties of the Hebrew University with particular emphasis on medical science, HUJI hi-tech and the field of sustainability.

## Fundraising & Ceremonies

During the fundraising year, several donor ceremonies took place, mainly on campus, helping to create profile for the specific cause whilst providing financial benefit to the awardees.



- The Kaye Prize awards for scientific innovation
- The Polonsky Prizes for creativity and originality in the Humanistic Disciplines
- The Sir Sigmund and Lady Hazel Sternberg prizes for interfaith understanding
- The conferring of an Honorary Fellowship on The Hon. Sir Jonathan Cohen KC
- The Wall of Life commemoration of the Sieratzki Family
- The Barbara Sieratzki z"l memorial lecture
- The Albert & Lilian Neuberger memorial lecture given by Prof Simon Baron-Cohen
- The unveiling of the Shaw accessibility ramp at the Faculty of Law in memory of Judith Shaw z"l
- The unveiling of the Persian Carpet in memory of the Lichtigfeld family
- The dedication of the Pears Garden in the Faculty of Agriculture, Nutrition and Environment
- The annual BFHU Legal Group dinner honouring the Lord Chief Justice Ian Burnett
- The annual Lionel Cohen lecture given by Prof Richard Susskind

The Charity's gala dinner is typically a biennial event, last held in 2022 and next planned for 2025.

### Legacy campaign

Since 1998, BFHU has pioneered a legacy campaign centred around missions to the Hebrew University, offering participants a firsthand experience of the university's dynamic environment. These week-long missions serve as a platform for building enduring connections and securing legacy commitments aligned with the donors' intentions.

The most recent legacy mission occurred in May 2022, amid lingering Covid restrictions, with plans for the next mission slated for October or November 2024.

BFHU continues to curate tailored events for our esteemed Honours Club, comprising individuals who have pledged a legacy in support of the Hebrew University.

### Impact of charitable activities at the Hebrew University

In 2022, the Hebrew University was the first Israeli institution of higher education to conduct a study to explore its impact of financial aid provided to 2,000 students.

In 2023, the Hebrew University extended its impact analysis into the realm of academia and worked to integrate the UN's Sustainable Development Goals (SDGs) into university courses, enriching the educational experience and fostering a deeper understanding of global challenges. It demonstrates impact beyond academia to the lives of students.

The Hebrew University prioritises engagement with Jerusalem's community and fosters civic responsibility by driving innovation through technology transfer and entrepreneurship.

The report can be found [here](#)

<https://www.storydoc.com/47495ff00abf235a33fca47f1ed40b8b/9beab53f-9482-45c2-a4dd-68b56e2da19d/647f059e5d4eb9000b125484>

## GDPR

BFHU's donor relations and communications activities comply with the Data Protection Act 2018, General Data Protection Regulations (GDPR) and the Privacy & Electronic Communications Regulations (PECR) via mail, email and through social media and advertising. Consent is obtained where required and recorded appropriately. All information is stored securely. Rights are outlined in the Privacy Policy; changes and opting-out can be made at any time. During the period, there were no GDPR complaints received, nor safeguarding issues reported. Procedures are in place, complying with the Charity Commission regulations and the Fundraising Regulator guidelines.

## Strategic Risks

### *Risk Policy*

The Trustees are responsible for overseeing risks faced by the Charity. Detailed considerations of risk are delegated to the Senior Management of the Charity through the Finance, Audit & Risk Committee. Risks are identified, assessed, and controls are established throughout the year. A formal review of the charity's risk management processes is undertaken annually.

The Board confirms that the significant risks to which the Charity is exposed have been reviewed, reassessed, and updated. Where practicable, systems have been established that are intended to mitigate those risks.

A risk analysis table summarising the key risks is monitored by the Chief Executive and is brought to the attention of the Board on at least an annual basis. This process forms an integral part of the Charity's annual review of its strategic plan and budget.

Human Resource risks such as loss of key staff members with localised and specialised knowledge.

Management mitigation: ensure the team is professionally managed and, motivated, competitively remunerated with annual appraisal reviews.

Data & IT Integrity risks include data protection, support and maintenance services, fire risk, and fraud.

Management mitigation: Utilise cloud-hosted IT platforms, secure insured risk cover, employ professional IT support, enforce multiple password protection, adherence to fire & security best practices.

Investment risks such as poor returns and foreign exchange exposure.

Management mitigation: Maintain a diversified investment portfolio managed externally by two prominent international fund managers, and overseen by the BFHU board investment sub-committee in place, and international benchmarking across other Hebrew University Friends.

The Trustees believe that the challenging macroeconomic outlook, including inflationary pressures, could have a negative financial effect beyond the short term. They also recognise that, although annual endowment grants are made in sterling, Hebrew University expends money mainly in Shekels.

The portfolios have a high weighting in overseas equities and UK equities that generate much of their earnings overseas. This reduces some of the foreign exchange risks.

Although income may reduce, the Trustees maintain that the accumulated total return is sufficient to sustain the annual 3.5% distribution to the Hebrew University, which is now fixed in US dollars. This arrangement between the Charity and the Hebrew University was formalised in an MoU in January 2024.

Maintain a strong reserve position to support operational needs.

Income risks such as disproportionate reliance on key donors.

Management mitigation: focus on donor retention strategies; income diversification through new foundations and family offices; conduct tailored Zoom meetings with the Hebrew University; activities to grow the database with GDPR opt-in; attractive events, creative marketing to maintain engagement; establish third-party partnerships, close collaboration with the Hebrew University Division for External Relations and other Friends organisations.

Governance risks such as poor compliance with well-established processes and accounting standards.

Management mitigation: maintain a strict routine of monthly management accounting and reporting reinforcing a culture of compliance with robust annual auditing stipulations and statutory accounts.

### Reserves Policy

The Trustees are keenly aware of the need to secure the Charity's future beyond immediate day-to-day requirements and to continue to honour its commitments to the University. To achieve this the Charity needs to have sufficient funds to absorb periodic setbacks in its ability to raise funds and to take advantage of opportunities as situations arise. The Charity management also considers it prudent that some reserves should be maintained to finance working capital requirements.

The Charity has reviewed the risk profile of income streams along with past expenditure patterns, anticipated changes and committed expenditure and the extent to which the charity

can curtail or change the timing of cash outflows. The Charity has also looked at timing the cash outflows to match the timing of cash inflows. Where this is not possible, reserves needed to fund expenditure in advance of income receipts or expenditure delayed are estimated.

The charity believes that it will need reserves to cover a least 12 months' overheads plus £150,000 to cover the cost of funding fundraising activities where the sponsorship is received after the event has taken place. Accordingly, as at 30 September 2023, the targeted free reserves position is £760,000.

The Trustees continue to maximise unrestricted income to cover operating costs but recognise that operating losses may occur in some years.

At the close of the financial year, the charity held total funds of £35,918,952 (2022: £34,332,446). Most of these funds are endowed or restricted and therefore do not form part of the free reserves. Excluding these funds and those funds held as tangible fixed assets, the free reserves stood at £1,731,142 (2022: £1,751,054).

The current level of free reserves is above the target level even after accounting for the remaining grant commitment of \$1m towards a capital project of \$8m relating to the construction of an additional floor at the Faculty of Social Science building which will be completed in 2023-24. Trustees are regularly in touch with the University exploring priorities to identify projects that can be funded by the BFHU.

#### War – 7<sup>th</sup> October massacre and the aftermath

The deadly terrorist incursion into Israel, mass hostage-taking and ensuing military conflict with Hamas in Gaza has impacted the entire State of Israel, across all sectors of society. After the initial shock, a mix of determination, trauma and horror set in. On the military front, mass mobilisation of reservists took place while on the home front, volunteerism in every sector swung into action.

For the Hebrew University, over 5,000 students and some faculty staff were mobilised. In common with other institutes of higher education, the start of the 2023/24 academic year was delayed. In the immediate aftermath Hebrew University leadership reacted in a number of ways to provide dedicated support to students, including all those called up for military service, students, faculty members and staff along with Israeli Arabs and East Jerusalemites; Trustees are especially proud of faculty members in medicine, social work, psychology who have contributed their considerable skills at this time and the University's support for those working in agriculture. In addition, faculty members are providing dedicated support for reservists and displaced families.

A global fund-raising campaign 'We Are One' involving all Friends organisations, including the British Friends, has raised over \$5.5m designated to provide financial support for student reservists, enhanced studies support and trauma counselling. BFHU raised more than \$200,000 from generous and concerned donors wishing to address immediate University needs resulting

from the tragic events of 7th October 2023 and the longer-term sustainability of Israel's foremost centre of advanced learning.

The University's in memoriam page includes over 30 names – students, and alumni who have fallen on the battlefield or have been murdered by terrorists – may the memory of each and every one be a blessing (z"l)

The Hebrew University finally re-opened on 31 December 2023 adopting a revised teaching timetable which will extend into July, and with many protocols in place to accommodate a new reality designed to ensure harmony and rebuild inter-community trust.

### Future priorities

Philanthropists have many demands on their generosity, especially humanitarian. Nonetheless, the British Friends envisages ongoing challenges for the Hebrew University and will rigorously focus on ensuring mainstream fundraising for core research and scholarships, along with special projects resulting from the war, that might require funding from time to time.

The Charity encourages visits to the University when the situation is safe and will also work to help build the University's reputation and academic collaboration with leading UK institutions.

Faced with a changing philanthropic environment, BFHU trustees, with the support of an external consultant, met and undertook a strategic review of the organisation. This included purpose and priorities, a board skills audit, governance and structure, diversifying income streams, attracting next-generation supporters, engaging alumni, growing bilateral traffic (visitors to HU, faculty to the UK), expanding collaboration with Friends internationally and reviewing current positioning and messages, including greater use of digital communications.

A review of the organisation's professional structure, skills and cost-base also take place to ensure the ability to deflect threats and take advantage of potential new opportunities, particularly those concerning philanthropic foundations. This work, which is now complete, represents the most fundamental organisational review for many years.

As an output, a 3-year organisational development plan was created with 9 workstreams which is now being implemented.

The organisation remains committed to consistent professional engagement with current donors and to securing new support wherever possible in line with the Hebrew University's priorities. Co-funding with other partners, including other HU Friends, will remain an area of focus. New resource was hired to help diversify income streams into charitable foundations and family offices, enhance digital marketing and establish a UK Hebrew University alumni community.

A continued strategic approach to events, in some cases with high-profile organisational partners, will guide our efforts in promotional activity.

Encouraging Hebrew University campus visits will continue. Experience has proven how transformative this experience can be.

Where BFHU can add value, guided by the University's priorities, efforts will continue to facilitate bilateral university collaboration with Russell Group universities.

Mindful of the many macro-economic and other challenges, Trustees welcome the performance of 2022/23.

### Financial review

During the year under review, the Charity showed an unrestricted net deficit of £19,911 (2022: deficit of (£1,976,549), leaving a retained balance on general funds of £1,731,142 as of 30th September 2023 (2022: £1,751,053).

Total income for the year amounted to £4,520,780 (2022: £3,670,143), £3,920,978 (2022: £3,020,532) of which was donated by our generous supporters and £599,802 (2022: £649,611) was generated from other activities and our investment funds. The Charity made grants to the University and students totalling £4,389,196 (2022: £5,560,886).

During the year the organisation successfully moved office; and despite the disruption, business continuity was maintained. The new, smaller but more modern facility in the same office park, benefits from lower annual operating costs with savings of approximately £100k over 5 years. The relocation incurred one-off expenditure totalling £60,000 which included legal costs and dilapidations payments.

The donations made directly by donors associated with BHFU to the Hebrew University are significant and are independently audited. To enable the readers of the accounts to appreciate the broader contribution that the Charity makes to the University, the value of these donations and the corresponding donation expenditure are set out in the memorandum of income and expenditure analysis. The Trustees consider this a valuable measure of the scale of funding to the HU that the charity generates.

BFHU's Contribution to the Hebrew University of Jerusalem					
<u>Income</u>	Note	2023			2022
		Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Total income as presented		470,868	3,586,557	463,355	4,520,780
Direct donations to the Hebrew University (HU)		-	3,196,484	-	3,196,484
Total income attributable to the BFHU by the HU	18	470,868	6,783,041	463,355	7,717,264
<u>Expenditure</u>	Note	2023			2022
		Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Grants funding activities as presented	6	-	4,389,196	-	4,389,196
Direct donations to the Hebrew University (HU)		-	3,196,484	-	3,196,484
Total grants attributable to the BFHU by the HU	18	-	7,585,680	-	7,585,680

At the year-end the Charity had unrestricted funds of £1.8m, restricted funds of £1.1m and available expendable endowment resources of £33.1m.



## Structure, Governance and Management

### *Nature of Governing Document*

The British Friends have been supporting the Hebrew University since 1926 through various linked charities. The British Friends of the Hebrew University was incorporated on 22 August 2007 and is governed by its memorandum and articles of association, as amended by special resolution(s) dated 9 May 2013.

### *Organisational structure (Structure, Governance and Management)*

The Charity is controlled by the Directors/Trustees; the full time Chief Executive Officer reports to the Trustees monthly.

The support staff are split by function, such as donor support operations, marketing and communications, finance and fundraising all reporting directly to the CEO in a flat organisational structure.

### *Recruitment and appointment of Trustees*

Members of the Board are recruited based on their core competencies, a mix of skills, their experience in the sector and general commitment to the cause. Where possible, the Board considers that the skills of the members should provide a mix of the following:

- A Trustee with a legal background.
- A Trustee with a financial/accounting background.
- A Trustee with new skills and experience from emerging sectors
- A Trustee with educational and academic research sector experience.
- A Trustee with senior managerial or business experience; and
- At least one female Trustee and at least one male Trustee

### *Induction and training of Trustees*

All new Board members receive a full induction including meeting with staff and other Board members as well as visiting University officials such as the President. Members of the Board are encouraged to visit the University in Israel. Trustee engagement is an ongoing process. Trustees are encouraged to attend appropriate external training events, which facilitate the understanding of their role. All new Board members are appointed on 3-year terms, with a maximum of 3 such terms following which, subsequent terms of office are of one year duration. This is subject to the retirement and appointment rules within the Memorandum.

### *Arrangements for setting key management personnel remuneration*

The pay of senior staff is reviewed annually by the remuneration committee. The review is performed using benchmarks from similar organisations and against the performance of personal objectives.



*Investment policies & performance*

BFHU adheres to Charity Commission guidance on ethical investments. The Investment Committee may, from time to time, where it is consistent with that advice, direct the investment managers not to make direct investments in specific companies.

The Trustees reserve the right to exclude companies that carry out activities contrary to their aims or from holding investments which might damage the Charity's reputation.

The investment portfolios are benchmarked for total return against the FTSE 100 and other relevant indexes.

Portfolios made steady progress in 2022-23 with fears about the ingrained nature of inflation continuing to impact on bond markets and assets that produce a high or fixed level of income. Equities fared better having suffered in the previous year and with parts of the market, particularly within US equities, benefitting from strong advances in artificial intelligence.

Against the background balanced portfolios generally rose with Investec funds producing a total net return (after fees) of 5.1%, Rothschild & Co (after fees) of 11.1%

By comparison, the FTSE 100 Share index produced a total return of 10.36%.

The performance of the fund managers is kept under close review by the Investment Committee and is satisfactory considering the market conditions and portfolio exposure to high quality businesses which the fund managers believe will outperform the market over the long term.

The cash balances were reduced by £3 million and transferred to Investec. The cash was previously de-invested from Rothschild & Co and reallocated to Investec to equalize funds at the fund managers.

Investec was requested to reorganise the portfolio on a global basis, resulting in increased activity and transactions. This included moving equity holdings out of pooled funds and into direct holdings in the US and Europe, as well as transitioning to a global equity investment approach.

*Grant making policies*

Grants are made from restricted funds and income, and, in some cases, the capital derived from endowment funds in a manner as closely aligned as possible with the original wishes of the donor. Grants are approved by a BFHU committee, the Board's delegated authority.

The Charity makes extensive grants to the Hebrew University for buildings, equipment, research programmes and scholarships.

A sum of £60K was allocated for BFHU discretionary scholarships in 2022/23, some at the Hebrew University and some awarded to Hebrew University students extending their studies at postgraduate level in the UK. The same sum has been allocated for these purposes for 2023/24. The unused budget of £29,400 for 2022/2023 is carried forward to 2023/24.

#### *Creditor payment policy*

Creditors are paid in accordance with their payment terms.

#### *Going concern*

The Trustees have evaluated that there are no conditions or events that raise doubt about the Charity's ability to continue as a going concern.

#### *Relationship with donors*

BFHU adheres to the Code of Fundraising Practice and is registered with the Fundraising Regulator. This shows commitment to good fundraising practices.

There were no complaints from donors during the year.

#### **Public benefit statement**

The Directors & Trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our charitable grants, monitored through ongoing auditing and reporting contribute to the Hebrew University continuing to provide university education of a high standard, advancing knowledge, and learning by teaching and contributing to world-class academic research; the Charity also supports access to minorities while encouraging the achievement of the highest academic standards, benefitting society as a whole.

#### **Trustees' responsibilities statement**

The Trustees of the BFHU (who are also Directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS 102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to resume that the charitable company will continue in operation.

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

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and the
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. This report was approved by the board and signed on behalf of the Board.



.....  
Alan Jacobs  
Trustee



.....  
Denise Joseph  
Trustee

Date:

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2023

### Opinion

We have audited the financial statements of British Friends of the Hebrew University of Jerusalem for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of the charitable company's net movement in funds, including the 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2023

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2023

**Responsibilities of Trustees for the financial statements**

As explained more fully in the Trustees' responsibilities statement set out on pages 18-19 the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety requirements, GDPR, employment law, charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP) and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2023

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenges to the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

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



Tom Brain (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors  
10 Queen Street Place  
London EC4R 1AG

Date: **24 May 2024**

BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 30 SEPTEMBER 2023

		2023			2022
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Income and endowments from:					
Donations and legacies	2	422,454	3,035,169	463,355	3,920,978
Other activities	3	-	80,658	-	80,658
Investments	4	48,414	470,730	-	519,144
<b>Total income and endowments</b>		<b>470,868</b>	<b>3,586,557</b>	<b>463,355</b>	<b>4,520,780</b>
Expenditure on:					
Raising funds	5	(463,176)	(32,772)	(182,059)	(678,007)
Charitable activities	6	-	(4,389,196)	-	(4,389,196)
<b>Total expenditure</b>		<b>(463,176)</b>	<b>(4,421,968)</b>	<b>(182,059)</b>	<b>(5,067,203)</b>
Net gains/(losses) on investments	14	-	-	2,132,930	2,132,930
<b>Net income</b>		<b>7,692</b>	<b>(835,411)</b>	<b>2,414,226</b>	<b>1,586,507</b>
Transfers between funds	18	(27,603)	1,037,521	(1,009,918)	-
<b>Net movement in funds</b>	18	<b>(19,911)</b>	<b>202,110</b>	<b>1,404,308</b>	<b>1,586,507</b>
Reconciliation of funds:					
Total funds brought forward	18	1,751,053	871,332	31,710,060	34,332,445
<b>Total funds carried forward</b>	18	<b>1,731,142</b>	<b>1,073,442</b>	<b>33,114,368</b>	<b>34,332,446</b>

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 27 to 49 form part of these financial statements.



## BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	3	1,237
Investments	14	34,651,736	29,865,115
		<u>34,651,739</u>	<u>29,866,352</u>
Current assets			
Debtors	15	1,211,389	1,110,567
Cash at the bank and in hand		1,140,112	5,274,887
		<u>2,351,501</u>	<u>6,385,454</u>
Creditors: amounts falling due within one year	16	(257,842)	(1,092,914)
Net current assets		<u>2,093,659</u>	<u>5,292,540</u>
Total Assets less current liabilities		<u>36,745,398</u>	<u>35,158,892</u>
Creditors: amounts falling due after more than one year		(826,446)	(826,446)
Net assets		<u>35,918,952</u>	<u>34,332,446</u>
Charity Funds			
Expendable endowments	18	33,114,368	31,710,060
Restricted funds	18	1,073,442	871,332
Unrestricted funds	18	1,731,142	1,751,054
Total charity funds		<u>35,918,952</u>	<u>34,332,446</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board on .

Signed on behalf of the Board of Trustees



.....  
Alan Jacobs  
Trustee  
Date: 20 May 2024



.....  
Denise Joseph  
Trustee  
Date: 20 May 2024

The notes on pages 27 to 49 form part of these financial statements.

BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

STATEMENT OF CASH FLOWS

YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Cash flow from operating activities	22	(1,818,169)	(1,889,824)
Net cash flow from operating activities		<u>(1,818,169)</u>	<u>(1,889,824)</u>
Cash flow from investing activities			
Withdrawals from/ (additions to) the Investment Portfolio		(1,971,528)	2,348,536
Payments to acquire investments		(21,202,815)	(7,066,301)
Receipts from sales of investments		20,338,594	7,095,339
Interest received		72,429	31,035
Dividends received		446,715	436,955
Net cash flow from investing activities		<u>(2,316,605)</u>	<u>2,845,564</u>
Net increase in cash and cash equivalents		(4,134,774)	955,740
Cash and cash equivalents at 1 October		5,274,887	4,319,147
Cash and cash equivalents at 30 September		<u>1,140,113</u>	<u>5,274,887</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 October 2022 £	Cash flow £	At 30 September 2023 £
Cash and bank	<u>5,274,887</u>	<u>(4,134,774)</u>	<u>1,140,113</u>

The notes on pages 27 to 49 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

1 Summary of significant accounting policies

(a) General information and basis of preparation

British Friends of the Hebrew University of Jerusalem is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 209691) and Registrar of Companies (Company Registration Number 06350828) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are to support research, scholarships and capital projects of the Hebrew University whilst supporting UK students who wish to study at the Hebrew University, student exchange programmes and academic collaboration with the UK's foremost research institutions.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

(b) Going concern

The financial statements have been prepared on a going concern basis and the Trustees believe that no material uncertainties exist that may cast significant doubt on the charity's ability to continue as a going concern. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the Charity to be able to continue as a going concern.

(c) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for specific purposes.

The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the Charity. Income arising from the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising from the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity, and it is probable that they will be fulfilled. Amounts donated directly to the Hebrew University from UK donors are not included within the Financial Statements as the charity does not exert enough control over these funds.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted.
  - The executors have established that there are enough assets in the estate to pay the legacy;
- and
- All the conditions attached to the legacy have been fulfilled or are within the charity's control.

Income from fundraising events to raise funds for the Charity is recognised when received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

(e) Expenditure recognition

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

- Costs of raising funds include costs incurred seeking voluntary contributions through donations, investment management costs and the running of fundraising events during the year.
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive a grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Charity.

(f) Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to specific headings, they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources, for example, allocating property costs by floor areas, or per capita staff costs by the time spent and other costs by usage. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

The analysis of these costs is included in Note 7.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

The land in Israel was valued on 19<sup>th</sup> January 2017 at £26,000. The Trustees believe that it is prudent to amortise this as the Charity has been unable to sell it.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	25% straight line
Fixtures and fittings	20% straight line
Phone system	20% straight line

(h) Investments

The Charity has equity investments in listed entities. Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All unrealised gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

(i) Debtors and creditors receivable / payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

(j) Leases

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

(k) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## (l) Tax

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. It therefore does not suffer tax on income or gains applied for charitable purposes.

## (m) Financial instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Listed investments – Listed investments are held at fair value.

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost, as detailed in Note 17. Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

## (n) Judgements and key sources of estimation uncertainty

The judgements that have had the most significant effect on amounts recognised in the financial statements are the estimation of legacies receivable, allocation of support costs and depreciation rates. The estimates and associated assumptions are based on historical experience and other relevant factors and recent communications from the executors or their legal and professional representatives. The underlying assumptions which affect these judgements are reviewed on an ongoing basis.

## 2 Income from donations and legacies

	2023	2022
	£	£
Legacies	782,138	700,807
Regular giving	3,138,840	2,319,725
Total	<u>3,920,978</u>	<u>3,020,532</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

Income from donations and legacies was £3,920,978 (2022: £3,020,532), of which £463,355 (2022: £587,889) was attributable to endowments, £3,035,169 (2022: £2,263,005) was attributable to restricted, and £422,454 (2022: £169,838) was attributable to unrestricted funds.

## 3 Restricted donations from events – Raising Funds

	2023 £	2022 £
Events income – Conferences and similar events	80,658	181,621
Total	<u>80,658</u>	<u>181,621</u>

Donations from events in 2023 and 2022 were attributable to restricted funds.

## 4 Income from investments

	2023 £	2022 £
Dividends - equities	446,715	436,955
Interest - fixed interest securities	50,936	29,669
Interest - deposits	21,493	1,366
Total	<u>519,144</u>	<u>467,990</u>

Income from investments was £519,144 (2022: £467,990), of which £470,730 (2022: £426,172) was attributable to restricted funds, and £48,414 (2022: £41,818) was attributable to unrestricted funds. The BFHU portfolio at Rothschild does not have any individual Fixed Interest holding; the Fixed Income element is held via the R Wealth Management Investment Grade Bond Fund. This is a Luxemburg fund, and the income received is paid as a dividend.

## 5 Costs of raising funds

	2023 £	2022 £
Support costs	495,618	527,617
Investment management costs	182,059	191,149
Total	<u>678,007</u>	<u>718,766</u>



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## 6 Analysis of expenditure on charitable activities

	Grant funding of activities £	Support costs £	Total £
Grants to students	244,000	-	244,000
Grants to the Hebrew University	3,955,337	189,859	4,145,196
2023 total	<u>4,199,337</u>	<u>189,859</u>	<u>4,389,196</u>

	Grant funding of activities £	Support costs £	Total £
Grants to students	244,000	-	244,000
Grants to the Hebrew University	5,165,370	151,516	5,316,886
2022 total	<u>5,409,370</u>	<u>151,516</u>	<u>5,560,886</u>

All the above grants to the Hebrew University were attributable to restricted funds £3,955,337 (2022: £5,165,370) and so were the grants to students £244,000 (2022: £244,000). Total support costs of £189,859 (2022: £151,516) are analysed in Note 7.

The BFHU remits approximately £3.9m each year to Hebrew University, mainly from annual gifts but also budgets just over £1m from existing Endowment Funds. It was also involved in securing a further £3.2m (2022: £3.6m) in donations that go directly to the Hebrew University.

## 7 Analysis of total expenditure on support costs

Support cost	Basis of allocation	Raising funds £	Grant-making £	Total 2023 £
Salaries & other staff costs	Staff time	256,225	109,811	366,036
Establishment costs	Staff time	86,505	44,131	130,636
Printing, advertising, and administration	Direct	31,875	35,917	67,792
Travelling expenses	Direct	18,850	-	18,850
Event costs	Direct	32,772	-	32,772
Governance costs	Direct	41,683	-	41,683
Information technology	Direct	28,038	-	28,038
Total 2023		<u>495,948</u>	<u>189,859</u>	<u>685,807</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

<i>Support cost</i>	<i>Basis of allocation</i>	<i>Raising funds</i> £	<i>Grant-making</i> £	<i>Total 2022</i> £
Salaries & other staff costs	Staff time	241,159	103,354	344,513
Establishment costs	Staff time	43,622	36,640	80,262
Printing, advertising, and administration	Direct	(5,063)	11,522	6,459
Travelling expenses	Direct	13,948	-	13,948
Event costs	Direct	178,779	-	178,779
Governance costs	Direct	27,298	-	27,298
Information technology	Direct	27,874	-	27,874
Total 2022		<u>527,617</u>	<u>151,516</u>	<u>679,133</u>

In 2023 & 2022 70% of the salaries, national insurance costs, other staff costs, and establishment costs have been allocated to raising funds. In 2023 & 2022 30% of the salaries, national insurance costs, other staff costs, and establishment costs have been allocated to charitable activities. This is based on the best estimate of staff time.

## 8 Governance costs

	2023 £	2022 £
Auditors' remuneration	23,040	19,200
Legal fees	11,145	3,365
Other	7,498	4,733
Total	<u>41,683</u>	<u>27,298</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## 9 Analysis of grants

	Grants to institutions £	Grants to individuals £	Total £
Grants to students at the Hebrew University	-	194,000	194,000
Grants to Hebrew University students who study abroad	-	50,000	50,000
Grants to the Hebrew University:	3,955,338	-	3,955,338
Designated projects	£1,350,444		
Scholarships	£2,509,370		
Prizes	£54,000		
Institute for Medical Research	£41,523		
2023 total	<u>3,955,338</u>	<u>244,000</u>	<u>4,199,338</u>
Grants to students at the Hebrew University	-	194,000	194,000
Grants to Hebrew University students who study abroad	-	50,000	50,000
Grants to the Hebrew University:	5,165,370	-	5,165,370
Designated projects	£2,455,413		
Scholarships	£2,661,457		
Prizes	£36,000		
Institute for Medical Research	£12,500		
2022 total	<u>5,165,370</u>	<u>244,000</u>	<u>5,409,370</u>

Further details of the charitable activities supported by the grants made in the year are given in the Trustees Report.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## Scholarships

Pears Foundation is a significant major donor funding students undertaking International Masters Scholarships in Public Health, Agricultural Sciences, and International Development Studies for students from many developing nations across the globe learning new skills and techniques to support their local communities in health, nutrition, and community development. The current cohorts across the 3 programmes include students from most continents of the world.

Without such scholarships, they could not attend Hebrew University. The Social Impact of these students is demonstrated in their home countries where they become active in the field of Public Health, often at policy-making level. Alumni are also in regular contact with their global peers.

Other scholarships are specifically awarded to disadvantaged students who would not be able to attend HU without such external help. They include students with disabilities, Arab Students (Israeli Arab and East Jerusalemite), Charedi (Religious Jews) and those of Ethiopian backgrounds.

## Research

The Carew Shaw Endowment Fund distributed £280,000 in 22/23 (2022 £265,000) for a HU Distinguished Medical Faculty Award. This is normally given to encourage very bright researchers to come to HU, often after post-Doctoral work in the USA. Several of these have subsequently won European Research Council awards which recognise the contribution that their research is making internationally. This also enhances the reputation of Hebrew University.

## Prizes

The Kaye Innovation Awards for scientific innovation and the Polonsky Prizes for creativity & originality in Humanistic Disciplines recognise excellence and important research or teaching at the University. Such prizes help to enhance the reputation not only of the individual recipients but also the University as a whole.

## Lectures

Several BFHU funds help to support important lectures including in the legal and medical fields facilitating HU campus visits and events in the UK.

## 10 Net income for the year

Net income is stated after charging / (crediting):

	2023 £	2022 £
Depreciation/Impairment of tangible fixed assets	1,234	9,996
Auditors' remuneration - Audit fees	19,200	16,000
Finance charges payable	3,765	2,583
Operating lease rentals	92,990	74,998
Net (gains) / losses on foreign exchange	21,798	(46,860)
	<hr/>	<hr/>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## 11 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2022: £Nil).

The total amount of employee benefits received by Key Management Personnel is £169,291 (2022: £169,407) and includes the current year performance bonus approved on 20<sup>th</sup> December 2023, plus the employer's National Insurance contributions at 13.8% and accrued. The Charity considers its Key Management personnel to comprise the Trustees and the Chief Executive. The Chief executive is the only full-time member of staff.

The Trustees did not have any expenses reimbursed during the year (2022: £Nil).

## 12 Staff costs and employee benefits

The average monthly number of employees during the year was as follows:

	2023 Number	2022 Number
Raising funds	3	3
Charitable activities	2	1
Governance	1	1
	<hr/>	<hr/>
	6	5
	<hr/>	<hr/>

The average number of full-time equivalent employees (including casual and part-time staff) during the year was made up as follows:

	2023 Number	2022 Number
Raising funds	2	2
Charitable activities	1	1
Governance	1	1
	<hr/>	<hr/>
	4	4
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

The total staff costs and employees' benefits were as follows:

	2023 £	2022 £
Wages and salaries	324,280	302,738
Social security	31,173	31,947
Other staff costs	10,583	9,828
	<u>366,036</u>	<u>344,513</u>

Related Parties paid no staff costs or employee benefits.

The number of employees who received total employee benefits (excluding employer pension costs) but including employer NI costs of more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 - £70,000	1	1
£160,001 - £170,000	1	1
	<u>2</u>	<u>2</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## 13 Tangible fixed assets

	Land £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation: At 1 October 2022	26,000	7,308	63,609	96,917
Additions	-	-	-	-
At 30 September 2023	26,000	7,308	63,609	96,917
Depreciation/Impairment: At 1 October 2022	24,764	7,307	63,609	95,680
Charge for the year	1,234	-	-	1,234
At 30 September 2023	25,998	7,307	63,609	96,914
Net book value: At 30 September 2023	2	1	-	3
At 30 September 2022	1,236	1	-	1,237

Land in Israel

The Trustees have re-assessed the value of the land in Israel as negligible due to the nature and location of the plot (It is part of a much larger parcel plot of scrub land and cannot be sold separately) and therefore, we have recognised an impairment loss accordingly.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## 14 Fixed asset investments

	Listed investments £
<u>Fair value</u>	
At 1 October 2022	29,865,115
Additions at cost	23,174,344
Disposals proceeds	(20,338,594)
Revaluations	2,132,930
Investment management fees	(182,059)
	<hr/>
At 30 September 2023	<u>34,651,736</u>
<u>Historical Cost:</u>	
At 30 September 2023	<u>30,008,061</u>

Listed Investments at fair value comprise:

	2023 £	2022 £
Investment Funds	2,183,109	2,526,044
UK listed investments	3,528,467	5,814,307
UK cash deposits	1,059,117	399,635
Fixed income	4,788,458	5,104,797
UK other investments	1,848,696	1,928,500
Overseas investments	20,426,926	14,091,832
	<hr/>	<hr/>
	<u>33,834,773</u>	<u>29,865,115</u>



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

The fair value of listed investments is determined by reference to bid prices from the appropriate Stock Exchange, market makers or relevant fund managers. Where fund managers publish a single price, i.e., for OEICS, the valuation has been prepared based on the published price.

## 15 Debtors

	2023 £	2022 £
Trade Debtors	9,698	-
Legacies due	1,171,273	1,062,871
Prepayments	26,547	41,398
Gift aid recoverable	3,871	6,298
	<hr/>	<hr/>
	<u>1,211,389</u>	<u>1,110,567</u>

## 16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	21,758	27,647
Grant commitments	102,372	826,446
Other tax and social security	7,738	7,905
Other creditors	-	33
Accruals	125,974	121,155
	<hr/>	<hr/>
	<u>257,842</u>	<u>1,092,914</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Grants commitments	826,446	826,446
	<u>826,446</u>	<u>826,446</u>

## 17 Financial commitments

The operating lease represents a premises lease signed on 19<sup>th</sup> July 2023 and expiring on the 18<sup>th</sup> July 2028.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than one year	39,516	74,998
Later than one and not later than five years	149,831	-
	<u>189,347</u>	<u>74,998</u>

## 18 Fund reconciliation

## Fund descriptions

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for designated purposes. The aim and use of each designated fund are set out below.

Restricted funds relate to donated income or grants that have been specified by the donor or granted for a specific purpose.

## Endowment funds

Expendable Endowment funds relate to donated income or grants that have been specified by the donor or granted for a specific purpose and where it has been stipulated that income, gains and original capital are to be distributed over several years.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## Unrestricted funds

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 30 September 2023 £
Unrestricted – General	1,751,053	470,868	(463,176)	(27,603)	-	1,731,142
Total 2023	1,751,053	470,868	(463,176)	(27,603)	-	1,731,142

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 30 September 2022 £
Unrestricted – General	3,727,603	211,456	(348,838)	(1,839,168)	-	1,751,053
Total 2022	3,727,603	211,456	(348,838)	(1,839,168)	-	1,751,053

During the year, the following transfers were made (from)/to Unrestricted-General Funds.

- Transfers of £27,603 were made from unrestricted funds to restricted funds regarding the charity's contribution towards matching scholarships.

## Restricted funds

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 30 September 2023 £
Restricted	871,332	3,586,557	(4,421,968)	1,037,521	-	1,073,442
	871,332	3,586,557	(4,421,968)	1,037,521	-	1,073,442

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 30 SEPTEMBER 2023

Expendable Endowment funds	19	31,710,060	463,355	(182,059)	(1,009,918)	2,132,932	33,114,368
		31,710,060	463,355	-	(1,009,918)	2,132,932	33,114,368
2023 Total		32,581,492	4,049,912	(4,604,027)	27,603	2,132,932	34,187,810

		Balance at 1 October 2020	Income	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2021
		£	£	£	£	£	£
Restricted		881,522	2,870,798	(5,739,665)	2,858,677	-	871,332
		881,522	2,870,798	(5,739,665)	2,858,677	-	871,332
Expendable Endowment funds	19	36,504,131	587,889	(191,149)	(1,019,509)	(4,171,302)	31,710,060
		36,504,131	587,889	-	(1,019,509)	(4,171,302)	31,710,060
2022 Total		37,385,653	3,458,687	(5,930,814)	1,839,168	(4,171,302)	32,581,392

## Restricted Funds

During the year, the charity received many restricted donations, all of which were applied in strict accordance with the donor's wishes. Due to the considerable volume and the immaterial nature of each individual fund, it is not practical to report on each fund activity.

At the year-end, the charity held £757k (2022: £484k) worth of donations for restricted projects within the Hebrew University, and £316k (2022: £387k) for scholarships. Both were awaiting confirmation of students and projects.

In total, £1,009,918 grants were made from the expendable endowment funds for the year (2022: £1,019,509).

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## Endowment Funds

The Trustees have authorised a disbursement totalling £1,114K from the endowment funds, which includes 3.5% of the primary balance of the Expendable Endowment funds at the start of the year; fixed grants from other funds, such as the Carew Shaw Endowment and additionally, £3k annually from smaller funds, typically valued under £100,000 enabling a gradual reduction in their balances. The endowment funds have experienced a growth rate of 6% over the past year. Any financial surplus is allocated to cover management fees and help counteract the effects of inflation.

## 19 Expendable Endowment Funds

	Balance at 1 October 2022	Capital Additions	Expenditure	Transfers	Gains / (losses) & Fund charges	Balance at 30 September 2023
	£	£	£	£	£	£
1. Main Fund - 38 funds	4,958,338	35,450	-	(354,162)	563,465	5,203,091
2. Polonsky Fund	89,026	-	-	526	27,250	116,802
3. Archie Sherman Fund	127,698	1	-	(68,860)	4,646	63,485
4. Joels Fund	1,145,655	-	-	(43,760)	113,943	1,215,838
5. Gestetner Fund	573,975	-	-	(21,923)	57,086	609,138
6. BFHU Research & Teaching	1,929,949	-	-	(20,638)	50,084	1,959,395
7. BFHU Scholarship & Student Aid	6,056,182	250	-	(134,586)	85,308	6,007,155
8. Main fund – 41 Funds	5,464,481	5,384	-	(197,817)	543,481	5,815,530
9. Emily Erskine Fund	3,168,089	422,270	-	(118,454)	315,089	3,786,994
10. Carew Shaw Fund	8,138,037	-	-	(50,070)	184,687	8,373,654
11. Porjes Fund	58,629	-	-	(175)	5,831	64,285
2023 Total	31,710,060	463,355	-	(1,009,918)	1,950,871	33,114,368

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## Expendable Endowment Funds

	Balance at 1 October 2021	Capital Additions	Expenditure	Transfers	Gains / (losses) & Fund charges	Balance at 30 September 2022
	£	£	£	£	£	£
1. Main Fund - 43 funds	5,690,777	287,175	-	(148,666)	(870,948)	4,958,338
2. Polonsky Fund	138,026	-	-	-	(49,000)	89,026
3. Archie Sherman Fund	194,098	-	-	(43,350)	(23,050)	127,698
4. Joels Fund	1,357,350	-	-	(39,955)	(171,740)	1,145,655
5. Gestetner Fund	679,278	-	-	(19,357)	(85,946)	573,975
6. BFHU Research & Teaching	2,210,953	-	-	(47,924)	(223,080)	1,939,949
7. BFHU Scholarship & Student Aid	7,113,814	250	-	(254,019)	(803,863)	6,056,182
8. Main fund - 41 Funds	6,502,722	5,113	-	(220,592)	(822,762)	5,464,481
10. Carew Shaw Fund	9,088,909	-	-	(95,219)	(855,653)	8,138,037
2022 Total	36,504,131	587,889	-	(1,019,509)	(4,352,450)	31,710,060

1. The Main Expendable Endowment Fund comprises 38 individual funds that distribute a fixed amount annually. These distributions serve various purposes aligned with the charitable objectives of the organisation.

2. The Polonsky Endowment Fund is a gift of shares from the Polonsky Foundation. This fund generates income used specifically to fund grants made to the University on behalf of the foundation. The grants serve designated purposes in line with the foundation's philanthropic mission.

3. The Archie Sherman Fund was established for the purposes of supporting the Centre for Transgenic Organisms at the Hebrew University, as well as the cost of generating voluntary income for the BFHU.

4. The Joels Fund, i.e., the Jacob and Lena Memorial Foundation for Innovation in the Life and Medical Sciences, is an endowment for the establishment and support for a visiting chair, a senior lectureship for excellence and a research fund.

5. The Gestetner Fund is utilised to support the operating budget of the Harry S Truman Research Institute for the advancement of peace.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

6-7 The small endowment funds have been amalgamated into larger pools of Research and Teaching and Scholarship endowment funds to enhance flexibility in supporting the University's research and scholarship initiatives. The distributions made from these funds are under the discretion of the University.

8. The main variable distribution endowment Fund comprises 41 individual funds and sends variable sums to the University, supporting diverse needs.

9. The Emily Erskine Fund was created to establish a Research Foundation in Physics or Mathematics fostering advanced study and innovation.

10. The Carew Shaw Fund was established to fund a Distinguished Faculty Award in medicine and to fund scholarships preferably within the Faculty of Medicine, in memory of Edward Carew Shaw.

11. The Porjes Fund was established for supporting the general charitable purposes of the Friends, with a priority on promoting the ongoing legacies campaign.

## 20 Analysis of net assets between funds – As at 30 September 2023

	Unrestricted funds	Restricted funds	Expendable Endowment funds	Total
	£	£	£	£
Tangible fixed assets	3	-	-	3
Fixed asset investments	1,537,368	-	33,114,368	34,651,736
Current assets	1,278,059	1,073,442	-	2,351,501
Current / non-current liabilities	(1,084,288)	-	-	(1,084,288)
Total 2023	1,731,142	1,073,442	33,114,368	35,918,952

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

## Analysis of net assets between funds – As at 30 September 2022

	Unrestricted funds	Restricted funds	Expendable Endowment funds	Total
	£	£	£	£
Tangible fixed assets	1,236	-	-	1,236
Fixed asset investments	-	-	29,865,116	29,865,116
Current assets	3,669,178	871,332	1,844,944	6,385,454
Current / non-current liabilities	(1,919,360)	-	-	(1,919,360)
<b>Total 2022</b>	<b>1,751,054</b>	<b>871,332</b>	<b>31,710,060</b>	<b>34,332,446</b>

## 21 Related party transactions

Other than Trustee and Key Management Personnel transactions detailed in Note 8.

The total amount of donations made by the Trustees was £339,067 (2022: £393,570). One of the trustees, Anthony Graham Page is a majority shareholder and director of Tony Page Ltd which supplied catering and related services for the Gala dinner at a cost of £115,123 in 2022. There were no other related party transactions in the current or prior year.

## 22 Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the year	1,586,507	(6,780,810)
Dividends received	(446,715)	(436,955)
Depreciation and impairment of tangible fixed assets	1,234	9,996
(Gains) / losses on investments	(2,132,930)	4,171,302
(Increase) / decrease in debtors	(100,822)	(3,946)
Increase / (decrease) in creditors	(835,072)	990,475
<b>Net cash flow from operating activities</b>	<b>(1,818,169)</b>	<b>(1,889,824)</b>



23 Post balance sheet events

The war in Gaza, which commenced after October 7, 2023, may affect our fundraising efforts for the Hebrew University. There is a possibility that donors will redirect their contributions to address other urgent needs within Israel. This shift could require us to utilise our general reserves to support University operations, which have experienced financial disruptions, in part due to a late start in the opening of the academic year.