

**British Friends of the Hebrew University of Jerusalem  
Financial Statements  
Year Ended 30 September 2020**

# **British Friends of the Hebrew University of Jerusalem**

## **Financial Statements**

**Year Ended 30 September 2020**

### **Contents**

	<b>Page</b>
Charity Reference and Administrative Details	3
Trustees' Annual Report (Including Directors' Report)	4-15
Independent Auditors' Report	16-17
Statement of Financial Activities (Including Income and Expenditure Account)	18
Balance Sheet	19
Statement of Cash Flows	20
Notes to the Financial Statements	21-39

## **British Friends of the Hebrew University of Jerusalem**

### **Reference and administration details**

#### **Year Ended 30 September 2020**

<b>Charity registration number</b>	209691
<b>Company registration number</b>	06350828
<b>Trustees</b>	Isaac Kaye PhD Hon, Chair Alan Henry Philipp, Honorary Treasurer Jenny Arwas MBE Alan Jacobs (appointed 25/3/2021) Denise Nicole Joseph Jonathan Andrew David Marks Anthony Graham Page Joseph Smouha QC Derek Spitz Simon Tobelem David Mark Wernick
<b>Chief Executive Officer</b>	Nigel Salomon
<b>Registered office</b>	2nd Floor Supreme House 300 Regents Park Road London N3 2JX
<b>Independent Auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Solicitor</b>	CH. Hausmann & Co. 5 De Walden Court 85 New Cavendish Street, London W1W 6XD
<b>Bankers</b>	Bank Leumi (UK) PLC Twelfth Floor 1 Angel Court London EC2R 7HJ  Barclays Bank PLC 60 Wembley Park Leicester LE87 2BB

## **British Friends of the Hebrew University of Jerusalem**

### **Trustees' Annual Report**

#### **Year Ended 30 September 2020**

The Trustees present their report and the audited financial statements of the charity for the year ended 30<sup>th</sup> September 2020.

The financial statements have been prepared in accordance with 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 the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

Isaac Kaye PhD Hon, Chairman (RC)  
Alan Henry Philipp, Hon, Treasurer (RC, IC, GC)  
Jenny Arwas MBE (RC)  
Alan Jacobs (appointed 25/3/2021)  
Denise Nicole Joseph  
Jonathan Andrew David Marks  
Anthony Graham Page  
Joseph Smouha QC  
Derek Spitz  
Simon Tobelem  
David Mark Wernick (GC)

RC= Remuneration Committee  
IC = Investment Committee  
GC= Grants Committee

#### **Objectives and Activities**

The British Friends of the Hebrew University (BFHU) is a national charity, registered in England and Wales, that focuses rigorously on its core purposes, namely, to support research, scholarships, and capital projects of the Hebrew University of Jerusalem (hereafter referred to as 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 aims of the BFHU are:

- a. To fundraise in support of the academic development of the Hebrew University.
- b. To promote awareness and standing of the Hebrew University and its global impact.
- c. To undertake events and activities to generate awareness and in turn income for the cause; and
- d. To ensure the long term financial, operational, and reputational sustainability of the organisation

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

# **British Friends of the Hebrew University of Jerusalem**

## **Trustees' Annual Report**

**Year Ended 30 September 2020**

### **Achievements and performance**

#### **Charitable activities**

During the year, the Charity made grants to the Hebrew University and students of £4.5m (2018/19 £5.7m). Included are a small number of grants made to Hebrew University students, or alumni pursuing postgraduate studies in the UK.

#### **Covid-19 Impact**

From February onwards the Charity fundamentally and rapidly restructured its operation. This was in light of team home-working, the cancellation of face-to-face events and the inability to travel to the Hebrew University.

Six guiding principles were endorsed by trustees:

- welfare and day to day engagement of the professional team,
- proactive contact with donors to communicate the vital need for continuity of Hebrew University support,
- focus on maintenance of charitable income from all donors and new prospects where possible,
- adopting of quality digital communications,
- maintenance of all requisite reporting and
- constant adherence to principles of good governance.

The professional team displayed commitment, flexibility, and innovation at all times, and this has contributed significantly to a year of successful fundraising. They continue to do so in an exemplary manner as the pandemic continues. Furloughing or changes to contractual work arrangements have not been required

### **Education, research, awareness and standing**

The grants made by the BFHU have made a significant impact on the education and research undertaken by the Hebrew University. The events run by the BFHU have also helped in increasing public awareness and standing. During the year there have been several notable milestones.

- Over 275 scholarships, prizes and awards across all faculties at a total value in excess of £1.6m at undergraduate, post-graduate, doctoral and post-doctoral levels including UK students at the Hebrew University, Hebrew University students continuing studies in the UK as well as some exchange programmes either directly through the Charity or facilitated by it.

Areas covered include Science, Technology, Computer Science, Nanotechnology, Medicine, Pharmacy, Nursing, Veterinary Science, Dentistry, Agriculture, Pre-Academic Studies (Saltiel Center), Interfaith Studies, Law, Education, History, Jewish History Revivim (Jewish education), Peace Studies, Business Administration, Social Work, International Relations, Russian / Slavic Studies

Periodically at the request of donors, scholarships are designated to minority groups of students including Arab, Ethiopian, Haredi (ultra-Orthodox), new immigrants, students with a variety of disabilities, residents of the Israeli periphery, exchange students including those travelling to Asia

- More than £2m in support of 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  
Trustees approved a special grant of \$600,000 in support of the recruitment and absorption of new faculty member, Dr Eyal Ben David, regarded as an academic leader of tomorrow with expertise in genetics
- Scholarships, Fellowships, Prizes, and memorial lectures recognising undergraduate, graduate, doctoral and post-doctoral students represented by the Ellis & Alma Birk prizes in law, clinical legal education and agriculture, the Sir Sigmund and Lady Hazel Sternberg prizes for interfaith understanding, the Kaye prizes for scientific innovation designed to encourage excellence and beneficial societal impact, the Alberman visiting fellowship in Water, Society and Geopolitics in the Middle East

## British Friends of the Hebrew University of Jerusalem

### Trustees' Annual Report

#### Year Ended 30 September 2020

- Over £4.3m supporting a range of cutting-edge research programmes including

Medical science: neuroscience, a variety of medical science research projects including stem cell study of human genetic disorders, treatment of HIV infected children, ADB stimulation related to Parkinson's disease, pain relief, drug delivery in cancer treatment, early detection osteoarthritis, physics or mathematics, Medical Neurobiology, aortic aneurisms, High Intensity Lasers, immunopharmacology, therapy for Fragile X Syndrome using Human Pluripotent Stem Cells, Parkinson's disease, Pain Selective Anaesthesia without Neurotoxicity, DNA methylation in Cancer, Osteoarthritis, Anti-Tumour Neutrophil White Blood Cells, asthma, Novel Antimicrobial Peptide-Based Coating for Medical Devices, novel antibiotic adjuvants, Neuronal Networks
- Capital projects and equipment including the Kennedy Leigh Complex for Ecosystems in Agriculture, refurbishment of first & second floors of the Institute for Archaeology on the Mount Scopus Campus at the Hebrew University of Jerusalem, the Jerusalem botanical garden, cell sorter, veterinary hospital equipment
- A distinguished medical faculty award of over £260,000 annually
- In excess of £1m on diverse projects undertaken by Hebrew University bodies such as Minerva Centre for Human Rights, the Harry S. Truman Research Institute for the Advancement of Peace, the Sacher Institute of Law and the 'Israel Justice Centres' Law programmes, Cyber Law, the Centre for Jewish Art documenting fast disappearing vestiges of Jewish life especially in Eastern Europe, the Faculty of Science for natural gas extraction in the Eastern Mediterranean basin, high intensity lasers, the faculty of Humanities for the International Centre for the study of Antisemitism, the centre for the Study of Multiculturalism, education, plant sciences and education
- During the year the events programme of the British Friends was heavily and adversely impacted by the Covid-19 pandemic leading to a move online to the digital world. Several events had to be cancelled mid-year. This was achieved in an orderly manner, protecting relationships with hosting partners, with donors and supporters and with minimal financial impact.
- In November 2019, the 25<sup>th</sup> Alma & Ellis Birk law and agriculture annual prize awards ceremony took place on campus attended by family members, students, their families, and University leadership
- The Hebrew University's range of over 30 webinars on Covid and other topics was well received attracting large international Friends' audiences. It was supplemented by specialist webinars and Zoom events covering brain research and topics and personalities by the large American Friends organisation. Other events were held in Hebrew, Spanish, French and Italian
- The annual Lionel Cohen legal dinner hosted by Lord Pannick QC was due to have been replaced with a fundraiser event hosted by law firm Allen & Overy – an interview with Prof Philippe Sands QC. Most guests agreed to divert their ticket fee to support for the Hebrew University's law clinics. The event was revived online in March 2021.
- BFHU Groups were able to hold 5 physical events prior to lockdown:
  - a Women's Group recital in support of scholarships at the Faculty of Agriculture,
  - an Alumni event with guest speaker Ohad Zemet, a Hebrew University alumnus currently spokesperson at the Embassy of Israel in the UK
  - An Honours (legators) Club Chanukah event meeting several Hebrew University postgraduates supported by BFHU pursuing further studies in the UK
  - A partnership speaker event between BFHU and the Institute for Jewish Studies, UCL with guest speaker Dr Edward Breuer
  - A partnership speaker event with Norwood about autism

## **British Friends of the Hebrew University of Jerusalem**

### **Trustees' Annual Report**

#### **Year Ended 30 September 2020**

- Online, Zoom events were held designed for the Honours (legators) Club, Legal group and, a new and successful initiative, tailored Zoom encounters between donors and students, researchers and Hebrew University leaderships
- The Kaye prize award ceremony for scientific innovation (in its 27<sup>th</sup> year) was held online with over 100 guests from several countries. The ceremony is usually held during the Hebrew University's annual Board gathering in Jerusalem
- The annual BFHU legacy mission, planned to coincide with Israel's Independence Day in April 2020, had to be postponed by 18 months, now scheduled for November 2021
- Hebrew University President addressed BFHU trustees on 2 occasions on Zoom providing detailed insight into the University's priorities, challenges, and remedial actions
- There were nonetheless several fundraising activities including
  - an appeal mailing at Passover, gift-matched by the British Friends designated to needy students suffering job losses and financial hardship during the first Covid-19 lockdown. The £75k raised by BFHU was added to the approximately £500k raised by donors in Israel
  - a Jewish New Year mailed appeal to 4000 supporters, in part segmented to our medical group. A copy of the 2020/21 BFHU annual magazine ('Future') was mailed to every recipient.
  - University visits accompanying prospective and existing supporters as a catalyst to philanthropic giving, whilst supporting governmental, academic, and scientific delegations such as the BIRAX programme, recognising donors at Hebrew University ceremonies and plaque dedications, especially during the annual Board of Governors gathering in Jerusalem  
However, the pandemic prevented almost all visits and ceremonies during the period most of which will be carried forward to future dates

#### **Impact of charitable activities**

The charity considers that it plays an important role in enabling students to study at the Hebrew University of Jerusalem who might otherwise have been unable to attend due to financial constraints especially in such challenging times as during pandemic. In addition, the Charity facilitates donations from UK supporters for appropriate educational purposes, contributing to world class academic research in turn benefiting society.

#### **Key Performance Indicators**

- Against an income target of £7m, £9.8m achieved permitting over time increased grants to the Hebrew University in support of research and scholarships across the 7 current campaign themes: human health, leadership for tomorrow, better world, internationalisation & collaboration, building capacity, hi-tech Jerusalem sustainable planet
- Investment portfolio blended total return 5.61% comfortably permitting the annual 3.5% distribution to the Hebrew University supporting the purposes of the BFHU-held endowments. See the investment policy statement on page 12.
- Operating costs/income ratio 5.7%. This leaves more funds available for trustees to make a (future) special grant to the Hebrew University

#### **Principal Risks and Uncertainties**

##### *Risk Policy*

The Trustees are responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk are delegated to the Senior Management of the Charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis.

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

## British Friends of the Hebrew University of Jerusalem

### Trustees' Annual Report

#### Year Ended 30 September 2020

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 knowledge

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

During pandemic: ensure welfare and engagement along with easy and reliable access to IT

Data & IT Integrity risks such as data protection, support and maintenance services, fire risk, and fraud

Management mitigation: cloud hosted database, insured risk cover, professional IT support, multiple password protection, adherence to fire & security best practice

During pandemic: extra resilience, redundancy, security, and back-up measures

Investment risks such as poor returns and foreign exchange exposure

Management mitigation: diversified investment portfolio managed externally by 2 major international fund managers, the BFHU board sub-committee in place, international benchmarking across other Hebrew University Friends

During pandemic: close oversight by the investment committee, regular discussion with investment managers

Income risks such as disproportionate reliance on key donors

Management mitigation: highest quality donor care for donor retention, activities to grow the database with GDPR opt-in, attractive events, creative marketing to maintain engagement, third party partnerships

During pandemic: proactive contact with donors to ensure relevance and maintain reputation, supported by a creative and engaging programme of online activities segmented for different audiences

The trustees believe that the challenging macroeconomic economic outlook could have a negative financial effect beyond the short-term. They have also identified the fact 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.

The recent COVID-19 (Coronavirus) has had a limited impact on the global endowment portfolio because it is well diversified. Although income may be reduced, the trustees believe that the accumulated total return is sufficient to maintain the annual distribution to the Hebrew University. Gifts from major donors have continued and although events have been cancelled, most supporters have not asked for a refund.

#### Reserves Policy

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

The Charity has looked at the risk profile of income streams along with past expenditure patterns along with anticipated changes in them 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 fund raising activities where the sponsorship is received after the event has taken place. Accordingly, as at 30 September 2020 the targeted free reserves position was £700,000.

The Trustees continue to monitor a tight approach to expenditure, to maximise unrestricted funds income to a level that covers operating costs, however, doing so without stifling marketing and fund raising.

At the year end the charity held total funds of £35,777,888, most of these funds are endowed or restricted and therefore do not form part of the free reserves, excluding these items and those funds held as tangible fixed assets the free reserves were £4,555,334.



# **British Friends of the Hebrew University of Jerusalem**

## **Trustees' Annual Report**

### **Year Ended 30 September 2020**

The current level of free reserves is above the target level, the Trustees continue to monitor the level of reserves and will seek to address this position in due course. In the meantime, the funds are invested predominantly in the Charities investment portfolio.

#### **Future plans**

Our future plans are financed primarily from our annual income and from our expendable endowment reserves. The Board needs to maintain an equitable balance ensuring our current commitment to the University is maintained, whilst, at the same time, taking care that a sound infrastructure and financial base are preserved, so that we can continue the funding of the University with a high degree of predictability at the same level as in the past. When surpluses accumulate beyond the agreed policy level, trustee will review options for the optimum benefit to both the BFHU the Hebrew University

The Board sees 2020/21 as a year of ongoing challenges especially in relation to the pandemic and its contribution to a volatile economy and investment environment. Operationally, the professional team will continue working from home. Additional factors include 'overhang' uncertainties in relation to Brexit, competitive demands and financial pressures on philanthropists and the significant needs of the Hebrew University itself.

The Trustees welcome the solid performance of 2019/20, one of the best income years in the 94-year history of the organisation. Emphasis will continue to be placed on cost controls and a motivated professional team with commitment to the very highest standards of donor care and satisfaction, supported by brand integrity, creative events, and communication with growing emphasis on digital platforms such as social media. Legacy activity will be upweighted as well as efforts to grow the database to increase the reachable audience. Exploring new partnerships and sponsorship opportunities will form a part of marketing activity in 2020/21 but which will doubtless be heavily digital in character.

The BFHU will continue to be a key player in Hebrew University led international collaboration to identify synergies and share best practice to include access to new donors and leveraging marketing skills. The BFHU will aim to become more active in the Hebrew University Friends European bloc. Collaboration increased across the entire Friends network and with the Hebrew University during 2019/20 setting a strong foundation for this to expand.

All trustees have the potential to help in the achievement of annual objectives and the long-term sustainability of the organisation especially in securing new donors and supporting a range of events.

Constantly working to identify a match between new potential donors and specific Hebrew University projects will be key especially given defined priorities of the Hebrew University's 7-year \$1bn campaign programme, 2018-2025

Based on success to date, match-funding and co-donor opportunities will be explored where it is believed incremental donations can be secured.

BFHU will continue to maintain a diverse programme of events, most likely on-line, including specific events designed to expose the Hebrew University and the work of the Charity to the wider public. This will include the planning of a gala event in 2021/22 but with an uncertain date for execution. An ongoing series of webinars will help expose the Hebrew University's activities and achievements Deploying Hebrew University faculty will be a core element.

Encouraging Hebrew University campus visits will continue to expose the University's facilities, activities, faculty, and students in a powerful manner especially to the annual BFHU legacy mission. Although travel is expected to be very limited plans are being made for a legacy mission in November 2021 and to promote 'study at HU'.

BFHU will endeavour to support the Hebrew University in securing new incremental revenue streams such as corporate support and by growing the alumni database

BFHU will continue to encourage and help fund students going to the Hebrew University whilst working to help nurture academic collaboration with the best UK academic and research institutions. This will assist the

## **British Friends of the Hebrew University of Jerusalem**

### **Trustees' Annual Report**

#### **Year Ended 30 September 2020**

Hebrew University's stated strategic objective of internationalisation, student exchange programmes and facilitating students spending time in overseas academic and research institutions.

The BFHU recognises the demands of new legislation to ensure charity compliance with general data protection regulations and will continue to ensure the growth of its database in full compliance with GDPR regulations

The recent COVID-19 (Coronavirus) has had a limited impact on the future as the BFHU has the capacity to operate remotely using the cloud and this enables the BFHU to keep in constant touch with current donors. Some events have been deferred but this has limited impact on the level of donations. Investment income however may be reduced but it only contributes 7% on average to the total income for the year.

#### **Financial review**

During the year under review, the Charity showed unrestricted net income of £1,089,950, leaving a retained balance on general funds of £4,555,334 as of 30th September 2020.

Income for the year amounted to £5,334,946 (2019: £7,094,120), £4,710,695 (2019: £6,368,966) of which was donated by our generous supporters and £624,251 (2019: £725,154) was generated from other trading activities and our investment funds. This enabled the Charity to give grant funding to the University and students of £4,610,077 (2019: £5,702,602).

# British Friends of the Hebrew University of Jerusalem

## Trustees' Annual Report

### Year Ended 30 September 2020

The donations made directly by donors associated with BHFU direct to the Hebrew University are significant. To enable the readers of the accounts to appreciate the wider contribution that the Charity makes to the University, the value of these donations and the corresponding donation expenditure are set out in the memorandum income and expenditure analysis table below. The Trustees consider this provides a helpful 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	2020			2019	
		Unrestricted funds	Restricted funds	Endowment funds	Total	
		£	£	£	£	
<b>Total income as presented</b>		1,526,846	3,256,498	551,602	5,334,946	7,094,120
Direct donations to the Hebrew University (HU)		-	4,473,936	-	4,473,936	2,901,355
<b>Total income attributable to the BFHU by the HU</b>	18	1,526,846	7,730,434	551,602	9,808,882	9,995,475
<u>Expenditure</u>	Note	2020			2019	
		Unrestricted funds	Restricted funds	Endowment funds	Total	
		£	£	£	£	
<b>Grants funding activities as presented</b>	6	-	4,595,835	-	4,595,835	5,702,602
Direct donations to the Hebrew University (HU)		-	4,473,936	-	4,473,936	2,901,355
<b>Total grants attributable to the BFHU by the HU</b>	18	-	9,069,771	-	9,069,771	8,603,957

At the year end the Charity had unrestricted funds of £4.6m, restricted funds of £888k and available expendable endowment resources of £30.3m.

The transfer of the remaining Permanent Endowment funds into Expendable Endowments took place after the approval of the Charity Commission on the 16<sup>th</sup> March 2020.

# **British Friends of the Hebrew University of Jerusalem**

## **Trustees' Annual Report**

**Year Ended 30 September 2020**

### **Structure, Governance and Management**

#### *Nature of Governing Document*

The Charity is governed by its memorandum and articles of association dated 21<sup>st</sup> August 2008.

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

The Charity is controlled by the Directors/Trustees, the Chief Executive Officer runs the charity on a day-to-day basis and reports to the trustees monthly.

The support staff are split by function, such as donor support operations, marketing, 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 consider 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 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 are, before their appointment, provided with a pack of relevant materials, and invited to meet the Chief Executive Officer and other Board members. Following their appointment, they are introduced to the staff of the BFHU and to 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 where these will facilitate the understanding of their role.

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

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

#### *Investment policies & performance*

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

The British Friends of the Hebrew University adheres to Charity Commission guidance on ethical investments. The Investment Advisory 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 year to the end of September 2020 covers a very unusual period with markets dropping by over 20% in early 2020 as the COVID-19 pandemic took hold and then clawing their way back as the monetary authorities kept interest rates low, governments provided more fiscal support and investors began to anticipate an eventual return to more normal conditions. The US market with its high exposure to technology stocks recovered earliest and the UK with its low exposure to technology and with lack of progress on BREXIT talks acting as a deterrent to investors, recovering much more gradually, producing a negative FTSE All Share return of -16.6% over this period, ie 12 months to the end of September 2020. Funds with Investec fell by -3.2% over the 12-month period. Whilst this was disappointing it was ahead of the benchmark return of -5.5% helped by performance within both UK and overseas equities being ahead of their respective benchmarks.

The Trustees monitor the performance of the investment portfolio against benchmarks for total return set for the year as follows:

- Investec General Funds Benchmark -5.5% - Actual Performance -3%
- Investec Leffman & Sherman Benchmark -5.5% - Actual Performance 4.1%
- Rothschild Benchmark - Is the average total return after 3 years less distributions and CPI are positive. It is reviewed quarterly - Actual Performance 6.41%

## **British Friends of the Hebrew University of Jerusalem**

### **Trustees' Annual Report**

#### **Year Ended 30 September 2020**

The Rothschild & Co portfolio produced returns of +6.4% over the financial year 2019-20, with a value of £17,362,458 as at 30 September 2020. The portfolio held up well in the extremely challenging first quarter of 2020, with the cash, bonds and portfolio protection helping to limit the COVID-19 related market falls during this period. The portfolio was then able to grow strongly over the 6-month period to the end of September 2020. The main drivers of returns over the financial year were the equities held, the alternative investment strategies and the portfolio protection. Bonds contributed positively over the year too. The portfolio remains broadly diversified and continues to perform in line with expectations.

#### *Grant making policies*

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

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

£50K annually was allocated for scholarships in 2019/20 some of which are awarded to Hebrew University students extending their studies at master's degree and doctoral level in the UK. £50K has been allocated for these purposes for 2020/21. Any unused budget is carried forward.

#### *Fundraising*

Major fundraising is undertaken by personal approaches carried out by the director of development and the CEO. The charity has not subscribed to any fundraising schemes and does not use a third-party fundraiser and is registered with The Fundraising Regulator. The principal fundraising event is a biennial gala dinner with a distinguished speaker and not open to the wider public although the current pandemic has prevented such an event taking place in 2019/20. BFHU has also radically updated its website to make it more user friendly and supplements this with e-newsletters and an annual hard copy magazine. Smaller online webinars and events support engagement with potentially new and existing supporters.

#### *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 exist which raise doubt about the Charity's ability to continue as a going concern.

#### *Relationship with donors*

BFHU is committed to the highest standards of fundraising, and to always abide by the Code of Fundraising Practice and has registered with the Fundraising Regulator. This shows commitment to good fundraising practice.

We aim to ensure the best experience for our supporters and donors. As a member of the fundraising community, we commit to our own professional development, to ensure that we abide by the Charities (Protection and Social Investment) Act 2016 and to the vision - Excellent fundraising for a better world.

Donors and prospective donors are considered key stakeholders, with major donors allocated an account manager whose role is to 'represent the donor to the Hebrew University and the Hebrew University to the donor'. Regular contact is made with all donors proportionate to the complexity of a project supported. Donors receive regular reports from the Hebrew University via the BFHU office.

Invitations are issued to a series of events including guest Hebrew University lecturers. Donors are all encouraged to visit the Hebrew University to see its work first-hand including students and researchers with whom they might be connected through philanthropic giving.

BFHU continues to develop groups including legal, young professional, alumni, women's group medical, legators and its long-standing Glasgow Friends. These interest groups serve the specific interests of those associated and connect participants to related Hebrew University projects.

## **British Friends of the Hebrew University of Jerusalem**

### **Trustees' Annual Report**

#### **Year Ended 30 September 2020**

BFHU issues regular e-newsletters, updates its website with Hebrew University latest news and publishes an annual magazine occasionally featuring specific donors subject to their prior agreement. Social media networks are now used regularly as additional channels of communication

Donors are recognised at the Hebrew University on various plaques *or at* appropriate ceremonies.

Communication directly with donors by the Hebrew University is carefully coordinated with the BFHU to ensure an aligned approach.

There were no complaints from donors during the year.

#### **Public benefit statement**

The Hebrew University's objectives include developing advanced learning, to provide for research and instruction excellence in a range of subjects and to ensure their advancement and dissemination for the benefit of humanity worldwide. In conjunction with a network of fellow Friends groups worldwide, the British Friends of the Hebrew University supports the goals of the University and has been active since 1926, one year after the formal opening of the University itself.

The Hebrew University marked the 100th anniversary of its cornerstone laying in 2018 and is now in the second year of a 7-year \$1bn international fund-raising campaign. The BFHU is committed to 9% of this goal. Key disciplines of the Hebrew University in medicine, neuroscience, pharmacology, public health, agriculture, food science and environment, veterinary science (and clinical veterinary work), marine sciences, engineering, nanotechnology, computing, social sciences, law, and humanities disciplines where leading-edge research and numerous discoveries continue to help peoples and nations around the globe, feeding, curing, healing and facilitating understanding across borders. Increasingly commercialisation is playing a part in bringing new medicines and technologies to a global marketplace. This is undertaken by the Hebrew University technology transfer company, Yissum.

The University is open to all and seeks to enhance regional and global dialogue along with mutual understanding, by creating an environment of open-thinking and tolerance.

The University continues to engage closely with its local communities in Israel across the social spectrum, which the BFHU endeavours to support. BFHU also works to bring leading University faculty members to the UK and to support University alumni in pursuit of further studies in the UK, *including* educational or academic exchanges. This is aimed at advancing the exchange of views, as well as academic and research collaboration frameworks.

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.

#### **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 2015 (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
- to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

## British Friends of the Hebrew University of Jerusalem

### Trustees' Annual Report

#### Year Ended 30 September 2020

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.

In so far 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.

On behalf of the board



Isaac Kaye  
Trustee



Alan Henry Philipp  
Trustee

Date: 13/5/21

# **Independent Auditor's Report to the Members of the British Friends of the Hebrew University of Jerusalem**

## **Opinion**

We have audited the financial statements of the British Friends of the Hebrew University of Jerusalem for the year ended 30 September 2020 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 2020 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.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on pages 14-15, 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.

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.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



# **Independent Auditor's Report to the Members of the British Friends of the Hebrew University of Jerusalem**

## **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 strategic report and 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 strategic report and the directors' report included within the Trustees' Annual Report have 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 strategic report and 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

## **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.



David Sewell (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors  
Date: 14 May 2021

10 Queen Street Place  
London EC4R 1AG

**British Friends of the Hebrew University of Jerusalem**

**Statement of Financial Activities (including the Income and Expenditure account)**

**Year Ended 30 September 2020**

		2020				2019
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £	Total £
<b>Income and endowments from:</b>						
Donations and legacies	2	1,480,542	2,678,551	551,602	4,710,695	6,368,966
Other trading activities	3	-	22,831	-	22,831	68,290
Investments	4	46,304	555,116	-	601,420	656,864
<b>Total income and endowments</b>		<b>1,526,846</b>	<b>3,256,498</b>	<b>551,602</b>	<b>5,334,946</b>	<b>7,094,120</b>
<b>Expenditure on:</b>						
Raising funds	5	(422,654)	(3,636)	-	(426,290)	(418,147)
Charitable activities	6	(14,242)	(4,595,835)	-	(4,610,077)	(5,702,602)
<b>Total expenditure</b>		<b>(436,896)</b>	<b>(4,599,471)</b>	<b>-</b>	<b>(5,036,367)</b>	<b>(6,120,749)</b>
Net gains on investments	14	-	-	(152,037)	(152,037)	975,462
<b>Net income</b>		<b>1,089,950</b>	<b>(1,342,973)</b>	<b>399,565</b>	<b>146,542</b>	<b>1,948,833</b>
<b>Transfers between funds</b>	18	<b>(105,714)</b>	<b>1,385,963</b>	<b>(1,280,249)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	18	<b>984,236</b>	<b>42,990</b>	<b>(880,684)</b>	<b>146,542</b>	<b>1,948,833</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18	3,571,098	845,196	31,215,052	35,631,346	33,682,513
<b>Total funds carried forward</b>	18	<b>4,555,334</b>	<b>888,186</b>	<b>30,334,368</b>	<b>35,777,888</b>	<b>35,631,346</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 21 to 39 form part of these financial statements.

# British Friends of the Hebrew University of Jerusalem

## Balance Sheet

Year Ended 30 September 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	21,229	31,225
Investments	14	32,335,024	32,727,086
		<hr/> 32,356,253	<hr/> 32,758,311
<b>Current assets</b>			
Debtors	15	3,158,286	1,344,900
Cash at bank and in hand		466,837	1,718,162
		<hr/> 3,625,123	<hr/> 3,063,062
<b>Creditors: amounts falling due within one year</b>	16	(203,488)	(190,027)
		<hr/> 3,421,635	<hr/> 2,873,035
<b>Net current assets</b>			
		<hr/> 35,777,888	<hr/> 35,631,346
<b>Net assets</b>			
		<hr/>	<hr/>
<b>Charity Funds</b>			
Endowment funds			
Permanent endowments	18	-	22,279,533
Expendable endowments	18	30,334,368	8,935,519
Restricted funds	18	888,186	845,196
Unrestricted funds	18	4,555,334	3,571,098
		<hr/>	<hr/>
<b>Total charity funds</b>	18	35,777,888	35,631,346
		<hr/>	<hr/>

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 13 May 2021.

Signed on behalf of the board of trustees



Isaac Kaye  
Trustee



Alan Henry Philipp  
Trustee

**British Friends of the Hebrew University of Jerusalem**

**Balance Sheet**

**Year Ended 30 September 2020**

The notes on pages 21 to 39 form part of these financial statements.

**British Friends of the Hebrew University of Jerusalem**

**Statement of Cash Flows**

**Year Ended 30 September 2020**

	Note	2020 £	2019 £
<b>Cash flow from operating activities</b>	23	(2,092,770)	(293,351)
<b>Net cash flow from operating activities</b>		<u>(2,092,770)</u>	<u>(293,351)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		-	-
(Withdrawals from) additions to the Investment Portfolio		255,718	(25,353)
Payments to acquire investments		(6,862,863)	(4,024,821)
Receipts from sales of investments		6,847,170	4,024,938
Interest received		52,099	48,690
Dividends received		549,321	608,174
<b>Net cash flow from investing activities</b>		<u>841,445</u>	<u>631,628</u>
<b>Net increase in cash and cash equivalents</b>		(1,251,325)	338,277
<b>Cash and cash equivalents at 1 October</b>		1,718,162	1,379,885
<b>Cash and cash equivalents at 30 September</b>		<u>466,837</u>	<u>1,718,162</u>

The notes on pages 21 to 39 form part of these financial statements.

# **British Friends of the Hebrew University of Jerusalem**

## **Notes to the Financial Statements**

### **Year Ended 30 September 2020**

#### **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 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 is 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.

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 on 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 on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

## **British Friends of the Hebrew University of Jerusalem**

### **Notes to the Financial Statements**

#### **Year Ended 30 September 2020**

##### **(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 of 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.

##### **(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 includes 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

# **British Friends of the Hebrew University of Jerusalem**

## **Notes to the Financial Statements**

### **Year Ended 30 September 2020**

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.

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 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.

#### **(l) 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.

#### **(m) Employee benefits**

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



# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

The Charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### (n) 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.

#### (o) Financial instruments

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

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.

#### (q) 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. The underlying assumptions which affect these judgements are reviewed on an ongoing basis.

## 2 Income from donations and legacies

	2020	2019
	£	£
Legacies	1,918,177	1,868,997
Regular giving	2,792,518	4,500,969
<b>Total</b>	<b>4,710,695</b>	<b>6,368,966</b>

Income from donations and legacies was £4,710,695 (2019 - £6,368,966) of which £551,602 (2019 - £474,800) was attributable to endowments, £2,678,551 (2019 - £3,957,401) was attributable to restricted and £1,480,542 (2019 - £1,936,735) was attributable to unrestricted funds.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

Year Ended 30 September 2020

### 3 Restricted donations from events – Raising Funds

	2020 £	2019 £
Events income – Conferences and similar events	22,831	68,290
<b>Total</b>	<b>22,831</b>	<b>68,290</b>

Donations from events in 2020 and 2019 was attributable to restricted funds.

### 4 Income from investments

	2020 £	2019 £
Dividends - equities	549,321	606,299
Interest - fixed interest securities	50,776	49,977
Interest - deposits	1,323	588
<b>Total</b>	<b>601,420</b>	<b>656,864</b>

Income from investment was £601,420 (2019 - £656,864) of which £555,116 (2019 - £473,894) was attributable to endowments, and £46,304 (2019 - £62,643) was attributable to unrestricted endowment funds. The BFHU portfolio at Rothschild does not have any individual Fixed Interest holdings, 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

	2020 £	2019 £
Support costs	426,290	429,437
Investment management costs	-	-
<b>Total</b>	<b>426,290</b>	<b>429,437</b>

£0 (2019 - £0) of the above costs were attributable to endowment funds.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

#### 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	4,230,541	135,536	4,366,077
<b>2020 Total</b>	<b>4,474,541</b>	<b>135,536</b>	<b>4,610,077</b>
<i>Grants to students</i>	<i>244,000</i>	<i>-</i>	<i>244,000</i>
<i>Grants to the Hebrew University</i>	<i>5,323,729</i>	<i>134,873</i>	<i>5,458,602</i>
<b>2019 Total</b>	<b>5,567,729</b>	<b>134,873</b>	<b>5,702,602</b>

£1,699,828 (2019 - £1,664,226) of the above costs were attributable to endowment funds and £2,756,836 (2019: £4,229,248) were attributable to restricted funds. Total support costs of £135,536 (2019: £134,873) are analysed in Note 7.

The BFHU remits approximately £4.6 million each year to Hebrew University, mainly from annual gifts but also just over £1 million from existing Endowment Funds. It also is involved in securing a further £4.4 million donations that go directly to the Hebrew University.

#### SCHOLARSHIPS

One of the largest donations is from the Pears Foundation and is used to fund students doing the International master's in public health. These students mainly come from the poorer countries in Africa and without the scholarships they could not attend Hebrew University. There is a major Social Impact from these students when they return to their country and are active in Public Health, often at an extremely high level. Alumni are also in regular contact with their peers.

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

#### RESEARCH

One example of donations is from the Carey Shaw Endowment Fund. £260,000 is used each year for a Distinguished Medical Award. This is normally given to encourage very bright Researchers to come to HU, often after Post-Doctoral work in USA. Several of these have subsequently won European Research Council awards which recognises the contribution their Research is making on an International basis. This also enhances the reputation of Hebrew University.

#### PRIZES

The Kaye innovation awards in Experimental Science 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.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

#### LECTURES

Specific BFHU funds help to support important lectures by top legal and medical experts visiting Israel and lectures held in UK. These are very important both from the point of view of those attending the lectures and enhancing the Reputation of the University.

#### 7 Analysis of total expenditure on support costs

Support cost	Basis of allocation	Raising funds £	Grant-making £	Total 2020 £
Salaries & other staff costs	Staff time	228,497	96,786	325,283
Establishment costs	Staff time	68,826	15,109	83,935
Printing, advertising, and administration	Direct	72,432	23,641	96,073
Motor and travelling expenses	Direct	9,753	-	9,753
Event costs	Direct	3,636	-	3,636
Governance costs	Direct	25,175	-	25,175
Information technology	Direct	17,971	-	17,971
<b>Total 2020</b>		<b>426,290</b>	<b>135,536</b>	<b>561,826</b>

Support cost	Basis of allocation	Raising funds £	Grant-making £	Total 2019 £
Salaries & other staff costs	Staff time	235,190	97,335	332,525
Establishment costs	Staff time	68,400	16,979	85,379
Printing, advertising, and administration	Direct	53,830	(12,395)	41,435
Motor and travelling expenses	Direct	22,296	-	22,296
Event costs	Direct	19,230	-	19,230
Governance costs	Direct	21,744	32,954	54,698
Information technology	Direct	8,747	-	8,747
<b>Total 2019</b>		<b>429,437</b>	<b>134,873</b>	<b>564,310</b>

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

In 2019 & 2018 70% of the salaries, national insurance costs, other staff costs, and establishment costs have been allocated to raising funds. In 2019 & 2018 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

	2020 £	2019 £
Auditors' remuneration	16,200	18,600
Legal fees	2,553	-
Other	6,422	3,144
<b>Total</b>	<b>25,175</b>	<b>21,744</b>

#### 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:	4,230,541	-	4,230,541
Designated projects	£1,557,738		
Scholarships	£2,593,008		
Postcard Collection	£14,242		
Prizes	£39,053		
Institute for Medical Research	£26,500		
<b>2020 Total</b>	<b>4,230,541</b>	<b>244,000</b>	<b>4,474,541</b>

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

<i>Grants to Individuals at the Hebrew University</i>	-	194,000	194,000
<i>Grants to Hebrew University students who study abroad</i>	-	50,000	50,000
<i>Grants to the Hebrew University:</i>	5,458,602	-	5,458,602
<i>Designated projects</i>	£3,086,945		
<i>Scholarships</i>	£1,406,313		
<i>Postcard collection</i>	£900,000		
<i>Institute for Medical Research</i>	£25,500		
<i>Prizes</i>	£39,844		
 <i>2019 Total</i>	 5,458,602	 244,000	 5,702,602

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

### 10 Net income for the year

Net income is stated after charging / (crediting):

	2020 £	2019 £
Depreciation/Amortisation of tangible fixed assets	9,996	9,996
Auditors' remuneration - Audit fees	13,500	15,500
Finance charges payable	4,439	2,944
Operating lease rentals	48,372	48,372
Net (gains) / losses on foreign exchange	3,104	(15,339)

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

The Trustees neither received nor waived any remuneration during the year (2019- £Nil).

## British Friends of the Hebrew University of Jerusalem

### Notes to the Financial Statements

#### Year Ended 30 September 2020

The total amount of employee benefits received by Key Management Personnel is £161,504 (2019 - £166,758) and includes the current year performance bonus yet to be approved and paid, plus employer's National Insurance contributions at 13.8%. The Charity considers its Key Management personnel 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 (2019- £Nil).

#### 12 Staff costs and employee benefits

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

	2020 Number	2019 Number
Raising funds	3	4
Charitable activities	1	1
Governance	1	1
	<u>5</u>	<u>6</u>

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

	2020 Number	2019 Number
Raising funds	2	2
Charitable activities	1	1
Governance	1	1
	<u>4</u>	<u>4</u>

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

	2020 £	2019 £
Wages and salaries	288,926	291,980
	29,678	29,084
Social security		
Other staff costs	6,679	11,461
	<u>325,283</u>	<u>332,525</u>

No staff costs or employee benefits were paid by Related Parties.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

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:

	2020 Number	2019 Number
£60,001 - £70,000	1	1
£130,001 - £140,000	-	-
£160,001 - £170,000	1	1
	<u>1</u>	<u>1</u>

### 13 Tangible fixed assets

	Land £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation: At 1 October 2019	26,000	7,308	63,609	96,917
Additions	-	-	-	-
At 30 September 2020	<u>26,000</u>	<u>7,308</u>	<u>63,609</u>	<u>96,917</u>
Depreciation: At 1 October 2019	-	7,307	58,385	65,692
Charge for the year	4,772	-	5,224	9,996
At 30 September 2020	<u>4,772</u>	<u>7,307</u>	<u>63,609</u>	<u>75,688</u>
Net book value: At 30 September 2020	<u>21,228</u>	<u>1</u>	<u>-</u>	<u>21,229</u>
At 30 September 2019	<u>26,000</u>	<u>-</u>	<u>11,723</u>	<u>37,723</u>

#### Land in Israel

The trustees have re-assessed the value of the land in Israel and have recognised an impairment loss accordingly.



# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

Year Ended 30 September 2020

### 14 Fixed asset investments

	Listed investments £
<u>Fair value</u>	
At 1 October 2019	32,727,086
Additions at cost	6,862,863
Disposals proceeds	(6,847,170)
Revaluations	(152,037)
Transfers in/(out) to portfolio	(229,214)
Cash in transit	(26,504)
	<hr/>
<b>At 30 September 2020</b>	<b>32,335,024</b>
	<hr/>
<u>Historical Cost:</u>	
At 30 September 2020	26,691,530
	<hr/>

Listed Investments at fair value comprise:

	2020 £	2019 £
Investment Funds	1,260,635	1,823,493
UK listed investments	7,273,737	8,939,613
UK cash deposits	1,563,071	367,756
Fixed income	4,908,350	5,668,742
UK other investments	1,725,163	1,535,203
Overseas investments	15,604,068	14,392,279
	<hr/>	<hr/>
	32,335,024	32,727,086
	<hr/>	<hr/>

## British Friends of the Hebrew University of Jerusalem

### Notes to the Financial Statements

#### Year Ended 30 September 2020

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

#### 15 Debtors

	2020 £	2019 £
Trade Debtors	800	-
Other debtors	-	81
Legacies due	3,092,455	1,286,000
Prepayments	62,615	57,135
Gift aid recoverable	2,416	1,684
	<hr/>	<hr/>
	3,158,286	1,344,900
	<hr/>	<hr/>

#### 16 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	15,294	9,139
Amounts held in the UK pending transfer to the Hebrew University	69,670	31,107
Other tax and social security	8,429	8,325
Other creditors	823	1,159
Accruals	109,272	140,297
	<hr/>	<hr/>
	203,488	190,027
	<hr/>	<hr/>

## British Friends of the Hebrew University of Jerusalem

### Notes to the Financial Statements

#### Year Ended 30 September 2020

#### 17 Financial commitments

The operating lease represents a premises lease signed on 18<sup>th</sup> October 2018 and expiring on the 30<sup>th</sup> September 2023.

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

	2020 £	2019 £
Not later than one year	73,389	73,389
Later than one and not later than five years	146,778	220,167
	<hr/> 220,167	<hr/> 293,556

#### 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 for by the donor or granter for a specific purpose.

##### Endowment funds

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

##### Unrestricted funds

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 30 September 2020 £
Unrestricted – General	3,571,098	1,526,846	(436,896)	(105,714)	-	4,555,334
<b>Total</b>	<b>3,571,098</b>	<b>1,526,846</b>	<b>(436,896)</b>	<b>(105,714)</b>	<b>-</b>	<b>4,555,334</b>

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

- Transfers of £105,714 was made from unrestricted funds to restricted funds in respect of the charity's contribution towards scholarships of £58,216, £31,459 for IMPH student grants for 18/19 with the Moshal program, £10,200 for the business school and £5,839 for research.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

#### Restricted funds

		Balance at 1 October 2019	Income	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2020 £
		£	£	£	£	£	£
Restricted		845,196	3,256,498	(4,599,471)	1,385,963	-	888,186
		845,196	3,256,498	(4,599,471)	1,385,963	-	888,186
Permanent Endowment funds	<b>19</b>	22,279,533	-	-	(22,279,533)	-	-
Expendable Endowment funds	<b>20</b>	8,935,519	551,602	-	20,999,284	(152,037)	30,334,368
		31,215,052	551,602	-	(1,280,249)	(152,037)	30,334,368
<b>2020 Total</b>		<b>32,060,248</b>	<b>3,808,100</b>	<b>(4,599,471)</b>	<b>105,714</b>	<b>(152,037)</b>	<b>31,222,554</b>
<i>2019 Total</i>		<i>31,648,633</i>	<i>5,094,712</i>	<i>(5,726,420)</i>	<i>67,861</i>	<i>975,462</i>	<i>32,060,248</i>

#### Restricted Funds

During the year, the charity received many donations that were restricted, all of which were applied in accordance with the donors wishes, due to the large number and the immaterial nature of each individual fund it is not practical to report on each fund activity.

At the year-end there was £7k worth of donations restricted for projects within the Hebrew University and £9k of scholarships awaiting confirmation of students and projects.

During the year transfers into this fund of £1,385,963 were made as follows; £105,714 to unrestricted funds and £1,280,249 from the expendable endowment funds.

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

#### Endowment Funds

The transfer of the remaining Permanent funds into Expendable Endowments took place after the approval of the Charities Commission on the 16<sup>th</sup> March 2020.

The Trustees have agreed to spend up to a total of 3.5% of the balance of funds at the beginning of the year £1,099k which is more than the income and gains for the current year.

#### 19 Permanent Endowment Funds

	Balance at 1 October 2019	Capital Additions	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2020
	£	£	£	£	£	£
1. Main Fund – held in the UK	5,445,651	-	-	(5,445,651)	-	-
2. Emily Erskine Fund	2,391,387	-	-	(2,391,387)	-	-
3. Carew Shaw Fund	8,615,514	-	-	(8,615,514)	-	-
4. Porjes Fund	104,641	-	-	(104,641)	-	-
5. BFHU Research & Teaching – Israel	2,268,468	-	-	(2,268,468)	-	-
6. BFHU Scholarship & Student Aid - Israel	3,453,872	-	-	(3,453,872)	-	-
<b>2020 Total</b>	<b>22,279,533</b>	<b>-</b>	<b>-</b>	<b>(22,279,533)</b>	<b>-</b>	<b>-</b>

#### 19 Permanent Endowment Funds (continued)

	Balance at 1 October 2018	Capital Additions	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2019
	£	£	£	£	£	£
1. Main Fund – held in the UK	5,771,315	364,950	-	(959,834)	269,220	5,445,651
2. Emily Erskine Fund	2,284,795	-	-	-	106,592	2,391,387
3. Carew Shaw Fund	8,484,231	-	-	-	131,283	8,615,514
4. Porjes Fund	99,977	-	-	-	4,664	104,641
5. BFHU Research & Teaching	86,864	-	-	(90,916)	4,052	-
6. BFHU Scholarship & Student Aid	3,379,938	100	-	(3,537,721)	157,683	-
7. BFHU Research & Teaching – Israel	2,232,865	-	-	-	35,603	2,268,468
8. BFHU Scholarship & Student Aid - Israel	3,400,469	-	-	-	53,403	3,453,872
<b>2019 Total</b>	<b>25,740,454</b>	<b>365,050</b>	<b>-</b>	<b>(4,588,471)</b>	<b>762,500</b>	<b>22,279,533</b>

## British Friends of the Hebrew University of Jerusalem

### Notes to the Financial Statements

#### Year Ended 30 September 2020

1. The Main Permanent Endowment Fund comprises 74 funds whose income is sent annually to the Hebrew University by the BFHU.

2. The Emily Erskine Fund was created to establish a Research Foundation in Physics or Mathematics.

3. The Carew Shaw Fund was established to fund a Distinguished Faculty Award in medicine and to fund scholarships in memory of Edward Carew Shaw, with a preference being given to the Faculty of Medicine.

4. The Porjes Fund was established for the purposes of the general charitable purposes of the Friends, but as a priority, such income is to be used for the promotion of the Friends ongoing legacies campaign.

5-6. The UK expendable portion has been amalgamated along with other endowment funds into the BFHU permanent Research and Teaching and Scholarship endowment funds.

1-4, 5-6. On 16<sup>th</sup> March 2020, the Charities Commission agreed to the lifting of the capital restrictions on 12 larger funds.

#### 20 Expendable Endowment Funds

	Balance at 1 October 2019	Capital Additions	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2020
	£	£	£	£	£	£
1. Main Fund	3,543,665	-	-	70,613	167,935	3,782,213
2. Polonsky Fund	112,026	-	-	-	(13,250)	98,776
3. Archie Sherman Fund	370,746	-	-	(25,000)	60,362	207,789
4. Joels Fund	1,142,905	-	-	(32,768)	50,943	1,170,499
5. Gestetner Fund	565,845	-	-	(12,700)	29,885	583,030
6. BFHU Research & Teaching	90,916	-	-	(51,822)	4,802	43,896
7. BFHU Scholarship & Student Aid	3,109,416	100	-	(261,793)	164,223	3,011,946
8. Main fund – held in the UK 74 Funds (LY 75 Funds)	-	47,331	-	5,267,175	287,581	5,602,087
9. Emily Erskine Fund	-	504,171	-	2,318,883	126,300	2,949,354
10. Carew Shaw Fund	-	-	-	8,559,894	(505,043)	8,054,851
11. Porjes Fund	-	-	-	105,163	5,527	110,690
12. BFHU – Research & Teaching – Israel	-	-	-	2,026,322	(136,961)	1,889,361
13. BFHU Scholarship & Student Aid – Israel	-	-	-	3,035,317	(205,441)	2,829,876
<b>2020 Total</b>	<b>8,935,519</b>	<b>551,602</b>	<b>-</b>	<b>20,999,284</b>	<b>(152,037)</b>	<b>30,334,368</b>

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

### Year Ended 30 September 2020

	Balance at 1 October 2018	London81 Capital Additions	Expenditure	Transfers	Gains / (losses)	Balance at 30 September 2019
	£	£	£	£	£	£
1. Main Fund – held in the UK	3,016,166	109,750	-	279,954	137,795	3,543,665
2. Polonsky Fund	144,026		-	-	(32,000)	112,026
3. Archie Sherman Fund	601,963	-	-	(262,445)	31,228	370,746
4. Joels Fund	1,091,936	-	-	26	50,943	1,142,905
5. Gestetner Fund	535,783	-	-	5,066	24,996	565,845
<b>2019 Total</b>	<b>5,389,874</b>	<b>109,750</b>	<b>-</b>	<b>3,222,933</b>	<b>212,962</b>	<b>8,935,519</b>

1. The Main Expendable Endowment Fund comprises 43 funds that distribute a fixed amount annually. During the year the following transfers were made into/out of the fund:

2. The Polonsky Endowment Fund is a gift of shares given by the Polonsky Foundation. The income from these shares is used to fund certain grants made to the University on behalf of the foundation.

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 of 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. Gestetner Fund has been used in supporting the operating budget of the Abba Eban Centre for Israel Diplomacy, a Centre of research and teaching within the Department of Political Science at the Hebrew University of Jerusalem.

6-13. On 16th March 2020, the Charities Commission agreed to the lifting of the capital restrictions on 12 larger funds.

### 21 Analysis of net assets between funds – As at 30 September 2020

	Unrestricted funds	Restricted funds	Permanent Endowment funds	Expendable Endowment funds	Total
	£	£	£	£	£
Tangible fixed assets	21,229	-	-	-	21,229
Fixed asset investments	2,000,656	-	-	30,334,368	32,335,024
Current assets	2,736,937	888,186	-	-	3,625,123
Current liabilities	(203,488)	-	-	-	(203,488)
<b>Total 2020</b>	<b>4,555,335</b>	<b>888,186</b>	<b>-</b>	<b>30,334,368</b>	<b>35,777,888</b>

# British Friends of the Hebrew University of Jerusalem

## Notes to the Financial Statements

Year Ended 30 September 2020

### Analysis of net assets between funds – As at 30 September 2019

	Unrestricted funds	Restricted funds	Permanent Endowment funds	Expendable Endowment funds	Total
	£	£	£	£	£
Tangible fixed assets	31,225	-	-	-	31,225
Fixed asset investments	1,512,034	-	22,279,533	8,935,519	32,727,086
Current assets	2,217,866	845,196	-	-	3,063,062
Current liabilities	(190,027)	-	-	-	(190,027)
<b>Total 2019</b>	<b>3,571,098</b>	<b>845,196</b>	<b>22,279,533</b>	<b>8,935,519</b>	<b>35,631,346</b>

## 22 Related party transactions

Other than Trustee and Key Management Personnel transactions detailed in Note 8, there were no related party transactions during the period (2019: £ 0).

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

	2020 £	2019 £
Net income for year	146,542	1,948,834
Dividends received	(549,321)	(608,174)
Interest receivable	(52,099)	(48,690)
Purchase of fixed assets	-	3,498
Depreciation and impairment of tangible fixed assets	9,996	9,996
(Gains) / losses on investments	152,037	(975,462)
(Increase) / decrease in debtors	(1,813,386)	(633,834)
Increase / (decrease) in creditors	13,461	17,477
Net cash flow from operating activities	(2,092,770)	(293,351)