

Company number 03948898

Charity number 1083262

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2022

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

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ROTHSCHILD FOUNDATION (HANADIV) EUROPE

LEGAL AND ADMINISTRATIVE INFORMATION

Constitution	Rothschild Foundation (Hanadiv) Europe is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. It is a registered charity, No. 1083262. Company No. 03948898.
Directors and Trustees	<p>The directors of the charitable company ("the Foundation") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the articles of association the chairman of the board of trustees is appointed by the trustees. The members have the power to appoint any of their number to be a trustee.</p> <p>The trustees who served during the year were:</p> <p>Lord Rothschild OM GBE (President) Sir Bradley Fried (Chairman) Sir Victor Blank Mme Béatrice Rosenberg Dr David Landau Adam Karni-Cohen The Honourable Beth Rothschild Nicola Cobbold Nicola Loftus Ben Avigdori</p>
Company Secretary	L Masterton
Chief Executive	S Berkovic
Registered Office	14 St James's Place London SW1A 1NP
Auditors	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
Bankers	<p>The Bank of New York Mellon Rue Montoyer 46 B-1000 Brussels Belgium</p> <p>Coutts & Company 440 Strand London WC2R 0QS</p>
Solicitors	Farrer & Co LLP 66 Lincolns Inn Fields London WC2A 3LH

**ROTHSCHILD FOUNDATION (HANADIV) EUROPE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees are pleased to present their report together with the financial statements of the Foundation for the year ended 31 December 2022.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable in the UK and Republic of Ireland (FRS 102) Second edition and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Objects of the Foundation and Public Benefit

The objects of the Foundation are set out in the memorandum of association.

The Foundation is established to advance any charitable purpose and to benefit any charity as the trustees in their discretion think fit, primarily by the provision of grants and loans for such charitable purposes which are for the charitable benefit of the Jewish community either in Israel or elsewhere in the world. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objects of the Foundation and in setting grant-making policies.

Organisation

The board of trustees of up to twelve members administers the Foundation. The trustees meet to consider recommendations for, and make final decisions on, the awarding of grants.

All trustees receive a comprehensive Governance pack on their appointment. The Governance pack provides information on the structure and operations of the Foundation and includes a Trustee Code of Ethics, which has been adopted by the trustees, as well as the key governance issues and documents of which the trustees should be aware. Training for trustees is continued through regular meetings and discussions with Foundation staff or individuals and organisations in the areas supported by the Foundation.

There are two separate committees of Trustees which discuss matters relevant to their remit in detail and make recommendations to the full Trustee Board. These are:

- Small Grants Awards Committee
- Finance and Audit Committee

Both Committees meet at least twice yearly.

Remuneration of key management personnel is discussed and approved by the full Trustee board taking into account performance, budgetary environment and benchmarking.

Review of activities and future developments

Incoming resources

Incoming resources for the year amounted to £193,652 of investment income (2021: £486,050) and a restricted grant received from Yad Hanadiv of £810,376 (2021:£0).

The Foundation is one of the philanthropic trusts supported by Lord Rothschild and his family. It does not carry out any fundraising activity in order to raise funds from the general public.

Resources expended and services

Resources expended for the year amounted to £8,928,054 (2021: £7,617,309) of which the amount related to direct expenditure on grants and other charitable activities was £7,202,587 (2021: £6,014,991).

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Three RFHE initiatives were launched during 2022:

- Yerusha - the first comprehensive database of European Jewish archives.
- Judaica Index – an online, multilingual guide to 200 Jewish objects.
- 10th Anniversary conference for Jewish Heritage Europe – held in Krakow to celebrate this website dedicated to built Jewish heritage and fully funded and managed by the Foundation.

Academic Jewish Studies (AJS):

Doctoral and Post-Doctoral Fellowships have been a mainstay of our Jewish studies grants for over twenty years. Between 2010 and 2022 we funded 167 fellowships, the majority of whom continue to make contributions to Jewish Studies. Further, slightly more than 300 more students received smaller grants for research, language studies and travel grants. Fellows we funded at the beginning of their careers, a decade or more ago, are now established in the field and mentoring a new generation.

Given the upheaval of COVID, as well as the waning support for the humanities, we felt the time was ripe to check in with our alumni. In our recent survey, we asked them about their own career trajectory, key challenges and needs of Jewish Studies scholars, how our AJS grantees engage with Jewish communities and the wider public (if at all) and how we could help. Three themes emerged:

1. Career paths and retention

Most respondents listed scarcity of job opportunities as the main challenge, as well as limited funding for research and institutional isolation. While we cannot solve these issues for the field, our AJS grant categories are designed to address them, including funding teaching positions which we encourage universities to make permanent, and research consortia specifically designed to counter institutional isolation.

2. Engagement with the Jewish Community and the Wider Public

Half of the respondents said they shared their academic expertise with the local Jewish community, offering talks and teaching classes, 30% saying they did not engage and 15% said there was no community nearby. 87% of respondents said they shared their research with the wider public: creating websites, teaching classes to school students and via university extension programmes, giving lectures open to the public, presenting their work at festivals like the Festival of Ideas, and presenting on the radio.

3. Preservation and Documentation of Jewish Heritage

In many places in Europe there are local initiatives focused on the preservation or documentation of Jewish heritage (some of which are supported by the Foundation). 45% of respondents said they had been involved with efforts like these, with the majority of those saying they have been involved with restoring cemeteries.

The Foundation established significant 4-year Sustainability and Enhancement grants to help existing departments maintain their current offer as well as develop in new directions. The first three grants were awarded in the summer of 2022 and each project hinges on bringing Jewish Studies into conversation with at least one other field, thus underscoring the relevance of Jewish Studies to broader academic and cultural trends and debates:

- *Hebrew Manuscripts in the Digital Age: paleography, edition, cataloguing*, undertaken at the Ecole Pratique des Hautes Etudes, brings Jewish Studies together with innovative Digital Humanities techniques. These grantees have also just been awarded an impressive European Research Council synergy grant - only about 10% of ERC synergy grants go to Humanities projects and this is the first time one has gone to either a Jewish Studies or a Digital Humanities grant. The NLI is a major partner in the project, as the research will primarily focus on the digitised Hebrew manuscripts in Ktiv.

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- The *Amsterdam Centre for Jewish Urban Studies*, at the University of Amsterdam, connects Jewish Studies with Urban Studies, a field of increasing importance as the world's population becomes ever more urban. One of the goals of the project is to make policy recommendations regarding the management of urban heritage spaces.
- *Global Jewish Studies in/as Holocaust Studies*, undertaken by Royal Holloway, University of London, brings Jewish Studies into conversation with Holocaust Studies, as well as engaging with the recent 'global turn' in Holocaust Studies.

Digital Humanities (DH):

Digital Humanities - simply put the application of computer-based technologies to research questions in the humanities - has grown as a field over the past 40 years or so. Funding Jewish Studies projects that utilize these approaches is a natural outgrowth of the Foundation's longstanding commitment to both funding Jewish Studies research and to making European Jewish archival material accessible via digitisation. DH methods such as computer-based data visualization and statistical analysis are becoming increasingly widespread within the Humanities in general and Jewish Studies in particular.

The #DHJewish portal was launched earlier this year. The portal offers a single access point for news, events, and projects on the intersection of Jewish Studies and Digital Humanities. It grew out of a series of RFHE funded grants and workshops since 2017. A new book, *Jewish Studies in the Digital Age* collecting papers presented at a conference celebrating the launch of the portal, includes many current and former grantees. The book examines both the promise and pitfalls of DH, and how DH methods can be fruitfully applied to Jewish Studies—a field shaped by dispersed sources in many different languages that speak to a multitude of cultures and histories.

A small grant RFHE made in 2020 to fund the creation of a digital library of resources related to Jewish heritage in Serbia highlights the importance of 'taking a punt' on emerging scholarship. The library of material continues to expand, and digital copies are being shared with the NLI on a regular basis. In 2022, one of the project participants, Biljana Albahari, was given an award by Ben-Gurion University for her 'extraordinary contribution to the preservation, dissemination of, and scholarship on Yugoslavian Jewish heritage via the launching and continuous enrichment of the Jewish Digital Library'.

Jewish Heritage:

While the Foundation has distinct categories that support archives and libraries and museums, we receive an increasing number of applications from museums about archival projects, and from libraries with exhibition projects. Many Jewish museums in Europe serve as repositories for important archival material – for example, the Jewish Museum Frankfurt hosts the Anne Frank family archive, the Musée d'art et d'histoire du judaïsme in Paris holds the Dreyfus family archive, while the Jewish Museum in Istanbul conserves and catalogues private documents and photographs as well as donations from the Chief Rabbinate of Turkey. Increasingly, libraries are hosting exhibitions to raise public awareness and bring in new visitors. We also receive requests about immaterial heritage – i.e. Jewish songs, rituals and languages.

Hence, towards the end of 2022, we merged the Archives & Libraries programme with the Museum programme at the application stage to create large thematic categories. At the same time, we want to encourage Jewish communities, non-government organisations and other heritage institutions to consider applying, thus open up our funding opportunities to a more diverse pool of institutions, to a more diverse pool of projects, and to fresher initiatives that do not necessarily fit our traditional categories and programmes.

We will focus on four main areas: collection management (cataloguing, digitizing, research, and conservation); exhibitions; professional training (seminars, expert visits, travel and language grants); and digital projects (virtual exhibitions, apps, and other technology-based projects).

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Communal Life:

In person activities returned in full force in Jewish communities during 2022. Organisations like the Centre Communautaire Laic Juif in Brussels and the Balint Haz in Budapest managed to harness increased virtual participation into in-person engagement and have seen widespread enthusiasm for summer camps and Jewish High Holidays celebration. This is reflected in new grant applications from Denmark, Belgium and Latvia.

Established in 2015, the Yesod programme established itself as a reliable and accessible one-stop shop for professional development. By the end of 2022, Yesod Europe reached its target of engaging one-on-one with 750 European professionals. Almost 1,200 people subscribe to Yesod Europe monthly newsletter. In September 2022, Yesod welcomed two participants from Ukraine to its European Professionals Fellowship one of whom supports the work of 45 JDC volunteer centres in Ukraine and the other who is regional coordinator for Moishe House, an organisation supporting young adult activities in countries including Ukraine, Belarus, Kazakhstan, Moldova and Germany. The joined 15 other midcareer professionals from Bulgaria, Turkey, Spain, Germany, France, Belgium, Latvia, Estonia, Poland, and the UK at a 3 day seminar in Berlin.

In 2022 grants for projects were awarded in the following countries:

Austria
Canada*
Czech Republic
Denmark
Finland
France
Georgia
Germany
Greece
Hungary
Israel*
Italy
Latvia
Netherlands
Poland
Romania
Serbia
Spain
Switzerland
Turkey
UK
Ukraine
USA*

*Grants to organisations in Canada, Israel and the USA are for specialised work carried out in European institutions. A total of 9 grants.

Grant-making policy

Individuals and institutions whose projects fall within the areas in which the Foundation currently works are eligible to be considered for grants. In the UK, grants are only made to organisations registered with the Charity Commission for England and Wales or to individuals working for charitable purposes on behalf of those organisations. Overseas grants are only made for purposes considered to be charitable by the Charity Commission for England and Wales to organisations that have charitable or not-for-profit status in their countries, or to individuals working on behalf of such charitable or not-for-profit organisations. Where there is any uncertainty about the status of an organisation abroad, the Foundation will work through long-established

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bodies with considerable experience of grant-making, monitoring projects and the allocation of charitable funds in the countries concerned, in order to ensure that the work of the grants recipients is of a charitable nature.

Investment policy

In accordance with the memorandum and articles of association, the trustees exercise the power of investment having obtained and considered the advice of persons they believe to be suitably qualified to advise them, and in accordance with written investment policy guidelines. The Foundation's policy in relation to investment is that, over the medium to long term, it should produce a total return that allows the Foundation to pursue its charitable objectives as fully as possible whilst maintaining the real value (i.e. adjusted for inflation) of the initial endowment.

For the year ended 31 December 2022, a sterling composite benchmark was approved for investment performance measurement purposes. At the end of the year the value of the portfolio after withdrawals for grants and expenses was £139.0 million compared with the value at year-end 2021 of £152.0 million. Over the calendar year, the portfolio lost 8.4% after withdrawals for grants and expenses, compared with a decrease of 8.1% in the MSCI World All Country Equity Index (£) and a decrease of 8% in the Citi World Government Bond Index. The Trustees consider the investment performance of the portfolio to be satisfactory in the current economic climate.

Relationships with related parties and delivering public benefit

The Foundation is entirely independent but occasionally works with other charitable foundations to support charitable projects in Europe. For example, in the wake of increased anti-Semitism in Europe, the Foundation, and three other European foundations have combined to create a foundation, whose sole purpose is to provide security training and readiness for staff and regular visitors to communal institutions including schools and community centres across Europe.

In the UK, we continue to support a variety of Jewish social care organisations such as Jewish Care (focused on the elderly), Norwood (families) and Kisharon (children with disabilities) reflecting the Rothschild family's historical concern and involvement in the welfare needs of the Jewish community.

During 2022, the Foundation supplemented school meal vouchers for the approximately 1300 families at Jewish schools who are on free school meals. This was one concrete measure attempting to address the cost-of-living crisis and which is beyond our usual scope of grant making.

Future objectives

The Research and Discovery Fund for small grants up to £20,000 to develop an interesting idea/research proposal will be launched. These projects could eventually be taken to a much larger funding body, or perhaps be further developed and implemented by the Foundation. Requests could come from the libraries/museums field, but we would be open to other types of Jewish and state organisations as a testing ground for learning about emerging trends. We envisage 6-8 grants in 2023.

To support academics during 2023 we will:

- Create a suite of online workshops focused on professional development, with topics to include: academic publishing, presenting for a non-academic audience, writing for a non-academic audience, radio and TV, NLI resources
- Host an on-line panel discussion about 'alternative-academic' career paths in the Jewish Heritage sector, featuring professionals with PhDs in Jewish Studies who have gone on to work in museums, archives and libraries, NGOs, etc.
- Manage in-person workshops for Early Career Scholars at the European Association for Jewish Studies Congress to held in Frankfurt in July 2023

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We will be focussing on endangered Jewish archives in 2023 – it is likely that these will be found in places with small, aging communities, a rich local Jewish history, archival materials kept under less-than-ideal circumstances and collections that are inaccessible for historical research due to the lack of proper cataloguing. We have identified endangered community collections for 2023 - Subotica, Novi Sad – Serbia; Banja Luka, Sarajevo – Bosnia and Herzegovina; Livorno – Italy; Osijek, Rijeka – Croatia.

The Foundation has been tracking the need for professionals working in Jewish cultural heritage across Europe and anticipate that within 5 to 7 years, a significant number of museum directors, curators, librarians, and other experts in Jewish heritage will retire, and there is a dire need in preparing the next generation to take on these positions. In co-operation with the Central European University (CEU), now located in Vienna, Austria, we hope to create a master-level academic course that would be open both to enrolled students and to select external participants, who show a promising future in the field. It would address the diversity of material Jewish culture and practical exercises that will examine issues of collecting, ownership, appropriation, conservation, display, audiences, politics, and many others, from the perspective of Jewish heritage in Europe.

The Foundation will continue its support for programmes of the National Library in Israel within Europe. Highlights for 2023 include:

- Three new agreements with the National Libraries of Lithuania, Latvia and Serbia for materials to be included in JPress – the Jewish newspapers collection - are scheduled for completion and accompanying workshops with scholars to raise awareness of these collections are planned.
- A new partnership between the NLI and Spanish libraries is evolving: NLI staff managing the KTIV International Collection of Digitised Hebrew Manuscripts is scoping Spanish institutions with collections of manuscripts and medieval archives ready for digitisation and inclusion in KTIV.
- The collection and processing of digital Ephemera will be boosted with recruiting a six-month position to liaise with the Archives and Copyright Department and focus on outreach in selected countries.
- Sadeh Cultural Hub - in 2023, the focus is music and will include also Europeans. NLI scoping out a presence at European cultural events such as the UNESCO Cities of Literature and Jewish Culture Festivals, aiming to nurture partnerships with reciprocal visits to the NLI.
- The European Days of Jewish Culture will integrate NLI materials into the European Routes of Jewish Heritage, to explore how NLI 'intangible culture' can enrich the narratives connected with a physical place.
- The new website Learning with the National Library of Israel is gaining momentum, giving access to Primary Sources as well as themed resources. It will form the basis of greater engagement across Europe in 2023 given translations into French and German and plans to work with smaller communities to help them benefit from NLI materials. The NLI has been hosting in-person activities for Ukrainian and Russian refugees or new immigrants and their parents.
- Conferences and workshops are being planned for the new building and the NLI is looking forward to bringing a group of Judaica Curators and European Jewish educators to the building in the latter part of 2023.

Reserves policy

The Trustees' policy is to review reserves levels on a regular basis and to maintain a level of reserves which will provide a stable base for the Foundation's continuing activities while at the same time ensuring excessive funds are not accumulated.

The Trustees have considered the reserves of the charity and conclude that there is no need for the charity to carry free reserves. The nature of the expendable endowment fund is such that the trustees have absolute discretion over how it is spent, and investments can be called upon and realised as needed.

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During the year ended 31 December 2022 the Foundation made grants in excess of its income, making good the difference from its expendable endowment and leaving a nil level of free reserves, as per the definition stated by the Charity Commission. The Trustees have exercised their option to expend endowment in order to cover the deficit on the unrestricted income fund.

Total reserves at the year-end were £134,476,386 (2021: £147,044,082).

Risk Management

The major risks to which the Foundation is exposed have been reviewed, and systems have been established to manage those risks. The Foundation's investment and spending policies are intended to be prudent; and much of its income derives from investments.

The Trustees consider that there is a risk that the level of income could fall considerably, whether from investments or donations, although the latter is considered unlikely. In such an event, the total of grants committed might have to be reduced. Since the nature of the Foundation's grant-making activity involves relatively little by way of future commitments, the impact on current beneficiaries is unlikely to be significant.

There is also a risk that grant funds are not used for charitable purposes for which funds were awarded. This risk is managed through a due diligence process which is applied to all prospective grantees. In the event of doubt about the suitability or sustainability of an applicant, grant funding is not awarded.

Statement of trustees' responsibilities

The trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' 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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation 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 of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation 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 Foundation's auditors are 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 auditors are aware of that information.

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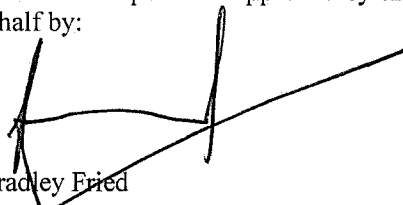
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution will be proposed at the annual general meeting that Saffery Champness be re-appointed as auditors to the Foundation for the ensuing year.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' Report was approved by the Board of Trustees on 17 July 2023, and is signed as authorised on its behalf by:



Sir Bradley Fried

ROTHSCHILD FOUNDATION (HANADIV) EUROPE INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Rothschild Foundation (Hanadiv) Europe for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 charitable company's state of affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**

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' Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' 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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities set out on page 8, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with management and the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with management and the trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

**ROTHSCHILD FOUNDATION (HANADIV) EUROPE
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**



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Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness

Chartered Accountants 71 Queen Victoria Street
Statutory Auditors London
 EC4V 4BE

Date: 8 September 2023

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Expendable endowment fund 2022 £	Restricted income fund 2022 £	Unrestricted income fund 2022 £	Year ended 31-Dec 2022 £	Year ended 31-Dec 2021 £
Income from:						
Investments	9.	-	-	193,652	193,652	486,050
Donations	3.	-	810,376	-	810,376	-
Total income		-	810,376	193,652	1,004,028	486,050
Expenditure on:						
<i>Raising funds</i>						
Investment management costs	4.	792,423	-	-	792,423	830,281
<i>Charitable activity</i>						
Academic Jewish Studies Programme	4.	-	-	1,374,549	1,374,549	1,113,260
Heritage and Culture Programme	4.	-	810,376	2,930,575	3,740,951	2,376,662
Education and Research	4.	-	-	1,017,551	1,017,551	1,619,803
National Library of Israel and other	4.	-	-	620,253	620,253	665,727
Community Welfare	4.	-	-	1,382,327	1,382,327	1,011,576
Total resources expended		792,423	810,376	7,325,255	8,928,054	7,617,309
Net outgoing resources before investment movement		(792,423)	-	(7,131,603)	(7,924,026)	(7,131,259)
Net losses on investment assets						
Realised and unrealised investment losses		(4,643,670)	-	-	(4,643,670)	18,956,959
Net income and expenditure		(5,436,093)	-	(7,131,603)	(12,567,696)	11,825,700
Transfers between funds	1.b.	(7,131,603)	-	7,131,603	-	-
Net movement in funds		(12,576,696)	-	-	(12,576,696)	11,825,700
Fund balances brought forward		147,044,082	-	-	147,044,082	135,218,382
Fund balances carried forward		134,476,386	-	-	134,476,386	147,044,082

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 17 to 31 form part of these financial statements. In note 2, there is a full statement of financial activities for the year ending 31st December 2021.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

BALANCE SHEET AS AT 31 DECEMBER 2022

	Notes	31-Dec 2022 £	31-Dec 2021 £
Fixed Assets			
Tangible assets	8.	2,528	5,371
Investments			
Quoted securities and unquoted investments		133,014,871	143,948,775
Derivative financial instruments		571,700	(225,367)
Sales for future settlement		-	1,503,329
Purchases for future settlement		-	979,161
Cash balances		5,289,051	5,502,287
	9.	138,875,622	151,708,185
Current assets			
Prepayments		126,521	96,962
Cash at bank		24,044	46,552
		150,565	143,514
Creditors: amounts falling due within one year			
Other creditors		3,965	2,962
Grants payable within one year		3,633,289	3,556,224
Accruals		113,003	156,542
		3,750,257	3,715,728
Net current liabilities		(3,599,692)	(3,572,214)
Creditors: falling due in more than one year			
Grants payable	11.	(802,072)	(1,097,260)
Net assets		134,476,386	147,044,082
Funds			
Expendable endowment fund – historical cost	12.	74,968,273	79,352,137
Expendable endowment fund – revaluation		59,508,113	67,691,945
Restricted income fund		-	-
Unrestricted income fund		-	-
Total funds	13.	134,476,386	147,044,082

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 17 to 31 form part of these financial statements.

The financial statements were approved by the Board on 17 July 2023 and signed on their behalf by:

.....
Sir Bradley Fried, Chairman
Registered in England & Wales Company Number: 03948898

.....
Dr David Landau, Trustee

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Net cash used in operating activities	(8,256,002)	(9,671,579)
Cash flows from investing activities:		
Purchase of investments	(10,052,039)	(13,777,430)
Proceeds from sale of investments	18,129,082	26,431,386
Proceeds from forward currency contracts	(201,710)	39,690
Income from investments in cash	144,925	117
Net cash provided by investing activities	<u>8,020,258</u>	<u>12,693,763</u>
Change in cash and cash equivalents in the year	(235,744)	3,022,184
Cash and cash equivalents at 1 January	<u>5,548,839</u>	<u>2,526,655</u>
Cash and cash equivalents at 31 December	<u>5,313,095</u>	<u>5,548,839</u>

Notes to the cash flow statement

Analysis of cash and cash equivalents	2022	2021
	£	£
Cash within investment portfolio	5,289,051	5,502,287
Cash at bank	<u>24,044</u>	<u>46,552</u>
	<u>5,313,095</u>	<u>5,548,839</u>
Reconciliation of changes in resources to net cash used in operating activities	2022	2021
	£	£
Net loss (Page 14)	(12,567,696)	11,825,700
Losses on investments	4,643,670	(18,956,959)
Income from investments in cash	(144,925)	(117)
Depreciation charges	2,843	3,113
Realised exchange (loss)	(2,382,166)	(585,635)
Decrease in sales for future settlement	1,503,329	(1,503,329)
Decrease in purchases for future settlement	979,161	(979,161)
(Increase) in debtors	(29,559)	(23,429)
(Decrease) in creditors	<u>(260,659)</u>	<u>548,238</u>
Net cash used in operating activities	<u>(8,526,002)</u>	<u>(9,671,579)</u>

The notes on pages 17 to 31 form part of these financial statements.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

The Foundation is a charitable company, limited by guarantee, registered in England and Wales. The registered address is: 14 St James's Place, London, SW1A 1NP.

a) Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable in the UK and Republic of Ireland (FRS 102) Second edition and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

The Foundation constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest whole £ except where otherwise indicated.

b) Fund accounting

The expendable endowment fund is primarily for income generation but is expendable at the trustees' discretion. The trustees have the discretion to transfer funds to the unrestricted income fund should the need arise.

The unrestricted income fund can be used in accordance with the charitable objects of the Foundation at the discretion of the trustees.

The expendable restricted fund is subject to specific restrictions imposed by donors.

c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity has entitlement to the income, it is probable income will be received and the amount can be measured reliably.

d) Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

e) Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is included on an accruals basis.

Expenditure on raising funds comprises those expenses directly attributable to managing the investment portfolio and investment income.

Grants payable are charged in the year where the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions are no longer seen to be

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

within the control of the Trustees. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs (e.g. staff costs and administrative overheads including rent) are allocated to the Foundation activities as incurred. Governance costs have been allocated to the Foundation's activities. They comprise of all costs involving the public accountability of the charity and expenses related to statutory requirements. These expenses include fees for statutory audit, legal fees where relevant.

f) Fixed Assets

Fixed assets comprise office furniture, equipment, and motor vehicles. Fixed assets are capitalised when cost exceeds £1,000 and are being depreciated on a straight-line basis over four years.

g) Investments

(i) Quoted securities and multi-asset funds

Quoted securities and multi-asset funds comprise publicly quoted, listed securities including shares, bonds and units. These are stated at market value at the balance sheet date. Investment shares and purchases are recognised at the date of trade.

(ii) Unquoted Investments

Unquoted investments are valued at the Trustees' best estimate of fair value, after having taken professional advice. The principal unquoted valuations are calculated as follows:

(iii) Unquoted hedge funds

Unquoted hedge funds are valued by reference to the fair value of the underlying securities. These valuations are provided by third-party hedge fund administrators.

(iv) Private equity funds and property funds

The vast majority of private equity and property fund investments are held through funds managed by private equity and property groups. No readily identifiable market price is available for these unquoted funds. These funds are included at the most recent valuations from their respective managers.

In a limited number of cases where information is not available as at 31 December, the most recent valuations from the managers are adjusted for cash flows and foreign exchange movements between the most recent valuation and the balance sheet date.

(v) Derivative Financial Instruments

Derivative financial instruments are used as part of the Foundation's portfolio risk management and as part of the Foundation's portfolio management and investment return strategy.

The Foundation's use of derivative financial instruments includes index-linked futures, options and currency forwards.

The fair value of contract positions is recognised in the Balance Sheet and gains and losses on the contracts are recognised in the Statement of Financial Activities.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

(iv) Cash and Equivalents, Purchases and Sales for Future Settlement

Cash held within the investment portfolio purchases and sales for future settlement are stated at their fair value.

(v) Realised and unrealised gains and losses

Realised gains and losses represent the difference between the amount received on the sale of an investment and the original cost price, all other movements are considered to be unrealised.

h) Operating leases

Rental payments under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

i) Pensions

The Foundation makes payments into a defined contribution scheme for the benefit of its employees. The contributions are charged to the statement of financial activities in the year in which they are paid.

j) Critical estimates and judgements

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In making these estimates the Foundation makes assumptions concerning the future. The Trustees do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

The valuation of unquoted investments, private equity and property funds is a critical area of judgement. The Trustees' valuation of these items is based on appropriate professional advice.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

2. Statement of Financial Activities incorporating the Income and Expenditure Account for the year ended 31 December 2021

	Expendable endowment fund 2021 £	Unrestricted income fund 2021 £	Total 2021 £
Income from:			
Income from investments	-	486,050	486,050
Total income	-	486,050	486,050
Expenditure on:			
<i>Raising funds</i>			
Investment management costs	830,281	-	830,281
<i>Charitable activity</i>			
Unrestricted Fund			
Academic Jewish Studies Programme	-	1,113,260	1,113,260
Heritage and Culture Programme	-	2,376,662	2,376,662
Education and Research	-	1,619,803	1,619,803
National Library of Israel and other	-	665,727	665,727
Community Welfare	-	1,011,576	1,011,576
Total resources expended	830,281	6,787,028	7,617,309
Net outgoing resources before investment	(830,281)	(6,300,978)	(7,131,259)
Net gains on investment assets			
Realised and unrealised investment gains	18,956,959	-	18,956,959
Net income and expenditure	18,126,678	(6,300,978)	11,825,700
Transfers between funds	(6,300,978)	6,300,978	-
Net movement in funds	11,825,700	-	11,825,700
Fund balances brought forward	135,218,382	-	135,218,382
Fund balances carried forward	147,044,082	-	147,044,082

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

3. Grants and Donations

	2022	2021
	£	£
Academic Jewish Studies Programme		
European Association for Jewish Studies	140,500	-
World Union of Jewish Studies, Hebrew Uni of Jerusalem	132,000	-
University of Amsterdam	115,500	70,000
Ecole Pratique des Hautes Etudes, Sorbonne	110,500	-
University of London	79,020	69,989
University of Cambridge	70,000	-
University College London	70,000	-
Complutense University of Madrid	68,544	-
Sapienza Università di Roma	65,726	-
University of Bern	60,792	-
Alexandru Ioan Cuza University	51,000	-
Oxford Centre for Hebrew and Jewish Studies	-	115,386
University of Oxford	-	69,356
University of Tübingen	-	86,970
University of Wroclaw	-	74,210
University of Vienna	-	68,352
Charles University, Prague	-	58,650
Università di Bologna	-	50,000
Individual grants of less than £50,000	251,473	340,429
Earlier grants part-returned or cancelled	(10,746)	(27,217)
	<u>1,204,309</u>	<u>976,125</u>
Jewish Heritage Programme		
Comunità Ebraica di Venezia	797,344	-
The National Holocaust Centre and Museum	141,600	-
Bodleian Libraries, University of Oxford	133,334	133,334
Israelitische Gemeinde Basel	120,000	-
Unione delle Comunità Ebraiche Italiane	117,612	-
British Library	111,615	-
Association Of European Jewish Museums	105,000	-
Museo Ebraico Venezia	100,000	100,000
Ghetto Fighters' House Museum	93,000	-
Jüdisches Museum der Schweiz	75,000	-
Tudásmenedzsmentért, Tudás alapú Technológiáért Alapítvány	73,000	-
Bradians Trust	72,338	-
Centro internazionale Leo Levi per la ricerca, la conservazione e la valorizzazione del patrimonio musicale	72,000	-
Stichting Joods Maatschappelijk Werk (JMW)	71,228	-
Jewish Museum in Prague	69,650	-
Sephardi Voices UK	68,106	-
Martynas Mazvydas National Library of Lithuania	59,372	-
Graz Museum	58,650	-

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

3. Grants and donations (continued)	2022	2021
	£	£
Centre national d'art et de culture Georges Pompidou	54,838	-
Association of Jewish Libraries	54,000	-
Taube Department of Jewish Studies, University of Wroclaw	53,784	-
Jewish Historical Museum	52,400	-
Yad Vashem	-	150,000
Peterhouse, University of Cambridge	-	137,666
Centre national de la Recherche scientifique	-	105,000
Wiener Holocaust Library, London	-	93,783
Tyne and Wear Archives and Museums	-	80,000
Fränkisches Freilandmuseum des Bezirks Mittelfranken	-	75,000
National Monument Herinneringscentrum Kamp Westerbork	-	73,000
Institute of Social Relations, Eotvos Lorand University of Sciences	-	72,040
POLIN Museum of the History of Polish Jews	-	68,702
Jewish Heritage Foundation Menorah	-	68,040
Jewish Theological Seminary, University of Jewish Studies	-	67,170
Unione delle Comunità Ebraiche Italiane	-	60,480
Jewish Museum of Westphalia	-	57,404
Board of Deputies Charitable Foundation	-	55,550
Trinity College Dublin	-	53,643
The Jewish Museum in Stockholm	-	50,000
Individual grants of less than £50,000	547,754	407,980
Earlier grants part-returned or cancelled	(1,176)	(38,455)
	<u>3,100,448</u>	<u>1,870,337</u>
Jewish Education		
Educating for Impact The Centre for Educational Technology	185,171	180,167
JLC - Partnership for Jewish Schools	95,500	-
Union of Jewish Students of the UK and Ireland	90,000	-
Jewish Book Council	75,000	-
Sadeh	50,000	-
Moishe House	-	155,624
London School of Jewish Studies	-	129,300
Yad Layeled France	-	120,000
Fundacja Centrum Taubego Odnowy Zycia Zydowskiego w Polsce	-	94,360
Kisharon	-	90,000
SCoJeC, the Scottish Council of Jewish Communities	-	59,000
Jewish Theological Seminary, University of Jewish Studies	-	57,000
Limmud	-	50,000
Individual grants of less than £50,000	171,893	328,000
Earlier grants part-returned or cancelled	(58,344)	(13)
	<u>609,220</u>	<u>1,263,438</u>

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

3. Grants and donations (continued)	2022 £	2021 £
National Library of Israel and other grants		
Gesher L'Europa [A Bridge to Europe]	550,000	590,000
	<u>550,000</u>	<u>590,000</u>
Community Welfare		
World Jewish Relief	250,000	-
Institute for Jewish Policy Research	190,000	207,000
Pillar Foundation	126,732	109,657
JW3	100,000	-
Social Finance	80,300	-
Rabbi Sacks Legacy Trust	50,000	-
Jewish Care	-	100,000
JDC	36,917	100,000
Educating for Impact	-	100,000
The Jewish Association for Mental Illness	-	150,000
Community Security Trust	-	75,000
JLC	-	50,000
Individual grants of less than £50,000	395,600	54,500
Earlier grants part-returned or cancelled	(3,792)	(49,650)
	<u>1,225,757</u>	<u>896,507</u>
Total grants	<u><u>6,689,734</u></u>	<u><u>5,596,407</u></u>

In 2022 the Rothschild Foundation Hanadiv Europe received a restricted donation of £810,376 from Yad Hanadiv, which was fully expended during the year according to the grantor's wishes.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

4. Resources Expended

a) 2022

	Grants	Other Activities	Investment Costs	Support & Admin Costs	Governance Costs	Total 2022
	£	£	£	£	£	£
Investment Management	-	-	742,863	49,560	-	792,423
Charitable Expenditure						
<i>Unrestricted Fund</i>						
Academic Jewish Studies	1,204,309	14,550	-	152,525	3,165	1,374,549
Culture and Heritage	2,303,104	205,226	-	413,663	8,582	2,930,575
Education and Research	609,220	293,077	-	112,911	2,343	1,017,551
National Library of Israel	550,000	-	-	68,825	1,428	620,253
Community Welfare	1,225,757	-	-	153,388	3,182	1,382,327
<i>Restricted Fund</i>						
Culture and Heritage	797,344	-	-	13,032	-	810,376
	6,689,734	512,853	742,863	963,904	18,700	8,928,054

Note 3.

4. Resources Expended

b) 2021

	Grants	Other Activities	Investment Costs	Support & Admin Costs	Governance Costs	Total 2021
	£	£	£	£	£	£
Investment Management	-	-	800,755	29,526	-	830,281
Charitable Expenditure						
<i>Unrestricted Fund</i>						
Academic Jewish Studies	976,125	10,500	-	109,298	17,337	1,113,260
Culture and Heritage	1,870,337	235,975	-	233,337	37,013	2,376,662
Education and Research	1,263,438	172,109	-	159,030	25,226	1,619,803
National Library of Israel	590,000	-	-	65,360	10,367	665,727
Community Welfare	896,507	-	-	99,315	15,754	1,011,576
	5,596,407	418,584	800,755	695,866	105,697	7,617,309

Note 3.

Support costs have been allocated pro-rata to grants and other activities for each programme. Administration costs have been allocated based on the amount of time allocated to each activity.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

5. Administration costs include:	2022	2021
	£	£
Auditors' remuneration(incl.VAT)	18,700	17,120
Depreciation	<u>2,843</u>	<u>3,113</u>

6. Staff Costs	2022	2021
	£	£
Wages and salaries	394,519	355,964
National Insurance	54,141	46,379
Pensions	58,602	49,909
Life Insurance	<u>5,591</u>	<u>4,823</u>
	<u>512,853</u>	<u>457,075</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	Number	Number
£150,001 - £160,000	1	1

	2022	2021
	£	£
Total benefits paid to key management personnel	<u>187,752</u>	<u>179,858</u>

The average number of employees, calculated on an average head count basis, analyzed by function was:

	Number	Number
Charitable activities	5	5
Management and administration	<u>1</u>	<u>1</u>

7. Related Party Transactions

During the year, the trustees did not receive payments in reimbursement of travel expenses (2021:£774) and they did not receive any remuneration (2021: £nil).

The Foundation rents the office premises at 14 St James's Place, London, from entities of which the President is a trustee. In 2022 the rent, rates and service charges amounted to £93,786 (2021: £67,597). The property costs were reviewed by an independent expert and found to be reasonable and at normal market rates.

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

8. Tangible Fixed Assets

Office furniture, equipment and motor vehicles at cost	£
At 1st January 2022	48,018
At 31st December 2022	<u>48,018</u>
Depreciation	
At 1st January 2022	42,647
Charge for the year	<u>2,843</u>
At 31st December 2022	<u>45,490</u>
Net book value at 31 December 2022	2,528
Net book value at 31 December 2021	<u>5,371</u>

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

9. Investments	31-Dec 2022	31-Dec 2021
	£	£
Quoted securities		
Market value as at start of year	1,490,925	1,444,584
Investment purchases	-	878,646
Disposal proceeds	(1,272,654)	(1,006,392)
Net investment gains	<u>(143,667)</u>	<u>174,087</u>
Market value as at end of year	74,603	1,490,925
Unquoted investments		
Valuation at start of year	43,222,067	24,036,916
Investment purchases	10,052,039	12,898,784
Investment distributions	(5,856,428)	(8,074,994)
Trustees' revaluation	<u>1,551,723</u>	<u>14,361,362</u>
Valuation as at end of year	48,969,401	43,222,068
Multi-asset funds		
Valuation at start of year	99,235,782	111,142,073
Investment distributions	(11,000,000)	(17,350,000)
Trustees' revaluation	<u>(4,264,915)</u>	<u>5,443,709</u>
Valuation as at end of year	83,970,867	99,235,782
Quoted securities and unquoted investments	49,044,004	44,712,993
Multi-asset funds	83,970,867	99,235,782
Derivative financial instruments	571,700	(225,367)
Sales for future settlement	-	1,503,329
Purchases for future settlement	-	979,161
Cash and equivalents	<u>5,289,051</u>	<u>5,502,287</u>
Total investments	<u>138,875,622</u>	<u>151,708,185</u>
Historical cost	<u>79,367,509</u>	<u>84,016,240</u>

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

9. Investments (continued)

	Market Value		Investment income	
	2022	2021	2022	2021
	£	£	£	£
Overseas investments				
Quoted securities	8,632	1,281,556	-	113
Unquoted investments	43,588,655	42,808,910	155,326	485,820
Multi-asset funds	83,970,867	99,235,782	-	-
Derivative financial instruments	571,700	(225,367)	-	-
Sales for future settlement	-	1,503,329	-	-
Purchases for future settlement	-	979,161	-	-
Cash and equivalents	5,289,051	5,502,287	26,074	117
	<u>138,428,905</u>	<u>151,085,658</u>	<u>181,400</u>	<u>486,050</u>
UK quoted investments	65,971	209,369	-	-
UK unquoted investments	380,746	413,158	12,252	-
	<u>138,875,622</u>	<u>151,708,185</u>	<u>193,652</u>	<u>486,050</u>
Total income from investments			<u>193,652</u>	<u>486,050</u>

10. Material Investments

Investments material in the context of the market value of investments held at the balance sheet date:

	2022	2022	2021	2021
	£	%	£	%
WHAM Endowment Fund	<u>83,970,869</u>	<u>60.46%</u>	<u>99,235,782</u>	<u>65.41%</u>

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

11. Creditors falling due in more than one year

	2022	2021
	£	£
Grants payable		
Within 1-2 years	628,622	959,592
Within 2-5 years	<u>173,450</u>	<u>137,668</u>
	<u>802,072</u>	<u>1,097,260</u>

12. Reconciliation of historical cost assets and liabilities

	2022	2021
	£	£
Fixed assets	2,528	5,371
Historical cost of investments	79,367,509	84,016,240
Net current liabilities	(3,599,692)	(3,572,214)
Creditors falling due in more than one year	<u>(802,072)</u>	<u>(1,097,260)</u>
	<u>74,968,273</u>	<u>79,352,137</u>
Expendable endowment fund – historical cost	<u>74,968,273</u>	<u>79,352,137</u>

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

13. Allocation of Assets

a) 2022

	Expendable endowment fund 2022 £	Unrestricted income fund 2022 £	Total 2022 £
Fixed assets	-	2,528	2,528
Investments	138,875,622	-	138,875,622
Bank balances	-	24,044	24,044
Other current assets	-	126,521	126,521
Liabilities	-	(4,552,329)	(4,552,329)
Interfund balance	(4,399,236)	4,399,236	-
	134,476,386	-	134,476,386

b) 2021

	Expendable endowment fund 2021 £	Unrestricted income fund 2021 £	Total 2021 £
Fixed assets	-	5,371	5,371
Investments	151,708,185	-	151,708,185
Bank balances	-	46,552	46,552
Other current assets	-	96,962	96,962
Liabilities	-	(4,812,988)	(4,812,988)
Interfund balance	(4,664,103)	4,664,103	-
	147,044,082	-	147,044,082

ROTHSCHILD FOUNDATION (HANADIV) EUROPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

14. Financial commitments

As at the balance sheet date the Foundation had capital commitments in respect of investments in limited partnerships amounting to £11,574,362 (31 December 2021: £10,324,854). The Foundation also had commitments in respect of grant funding amounting to £3,472,901 at year end (2021: £3,099,325), which have not been recognised as liabilities in these accounts because they relate to funding offered for future years that is subject to a substantive annual review by the trustees.

In October 2021 the Foundation entered into a two-year operating lease of office premises at 14 St James's Place, London. As of 31st December 2022, the Foundation had a rent commitment of £55,438 payable within a year (2021: £129,356 of which £73,918 was payable within a year and £55,438 within 1-2 years).