

CHARITY REGISTRATION NUMBER: 1130054

**Friends of the Holy Land**  
**Unaudited Financial Statements**  
**31 March 2021**

**BSN ASSOCIATES LIMITED**

Chartered accountants  
3B Swallowfield Courtyard  
Wolverhampton Road  
Oldbury  
West Midlands  
B69 2JG

# **Friends of the Holy Land**

## **Financial Statements**

**Year ended 31 March 2021**

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	<b>Pages</b>
Trustees' annual report	<b>1 to 10</b>
Independent examiner's report to the trustees	<b>11</b>
Statement of financial activities	<b>12</b>
Statement of financial position	<b>13</b>
Statement of cash flows	<b>14</b>
Notes to the financial statements	<b>15 to 23</b>

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# Friends of the Holy Land

## Trustees' Annual Report

Year ended 31 March 2021

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

### Reference and administrative details

<b>Registered charity name</b>	Friends of the Holy Land
<b>Charity registration number</b>	1130054
<b>Principal office</b>	Farmer Ward Road Kenilworth Warwickshire CV8 2DH

### The trustees

James Quinn (Chairman)  
James Kelly  
Revd Canon David Longe  
Rev Canon Mark Madden  
Sarah Parkhouse  
Peter Rand  
Charles Reed  
David Ryall  
Anthony Stokes

### Patrons

His Eminence Cardinal Vincent Nichols, Archbishop of Westminster  
The Most Reverend and Right Honourable Justin Welby, Archbishop of Canterbury  
The Right Reverend and Right Honourable Lord Williams of Oystermouth  
The Most Reverend Patrick Kelly, Archbishop Emeritus of Liverpool  
The Most Reverend Bernard Longley, Archbishop of Birmingham  
The Most Reverend Malcom McMahon, Archbishop of Liverpool  
The Right Reverend Christopher Chessun, Bishop of Southwark  
The Right Reverend Doctor Michael Langrish, retired Bishop of Exeter.

### Bankers

Natwest  
32 Market Place  
Cirencester  
GL7 2NU

# **Friends of the Holy Land**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 March 2021**

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**Solicitors**

Wright Hassell LLP  
Olympus Avenue  
Leamington Spa  
Warwickshire  
CV34 6BF

**Independent examiner**

Philippa Hawkes BA CA  
3B Swallowfield Courtyard  
Wolverhampton Road  
Oldbury  
West Midlands  
B69 2JG

# Friends of the Holy Land

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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### Structure, governance and management

#### Constitution and Governing Document

This Charitable Trust was created by and is governed by a Deed of Declaration of Trust made on 23 March 2009 by Patrick John Horsfield, John Milton Weedon, Anthony Arthur John McDowell and Michael Francis Whelan. It was registered with the Charity Commission on 9 June 2009 with the following objectives:

- the advancement of religion and advancement of education in each case in Israel, Palestine, Jordan and Cyprus (together the 'Holy Land') by improving the quality of education and training in, and providing financial support to, schools, educational establishments and Parishes, principally, but not exclusively, run by the Latin Patriarch of Jerusalem, for members of the Christian community in the Holy Land; and

- the prevention of relief of poverty and sickness in the Holy Land by financial support, organisation of self-help projects, purchase of goods and artifacts of all kinds from members of the Christian community for re-sale by the Charity and through any other means by which their quality of life can be improved.

#### Organisational Structure

By virtue of the power given to them by Clause 7 of the Trust Deed the Trustees have appointed Peter Rand as Executive Trustee with the powers and responsibilities set out in the Regulations of the Trustees dated 22 November 2013 and appointed the following persons as members of the Management Committee:

#### Management Committee

Brendan Metcalfe – Executive Director and Chair of the Management Committee  
James Quinn – Trustee member of the Management Committee  
Peter Rand – Executive Trustee and member of the Management Committee  
Anthony Stokes – Trustee and Director of Finance  
Jen Hill – Office Manager  
Mike Boyle – Trusts and Foundations Manager  
Susan State – Minute taker  
Caroline Ward – Minute taker

With the approval of the Trustees the Management Committee have appointed a Committee in Bethlehem to provide all the necessary local information and support to the needs of the Charity in the area of its work.

#### Holy Land committee

##### Rev. Dr. Jamal Khader, Chairman

Fr. Jamal Khader is the Director of the Latin Patriarchate of Jerusalem Schools in Palestine and Parish Priest of Holy Family Parish, Ramallah. Formerly he was the Rector of the Latin Patriarchate Seminary and Dean of Arts of Bethlehem University. Dr Khader is a member of the Theological Reflection Committee of the Latin Patriarchate and of the Committee of Dialogue with Jews. He formerly taught at the Latin Seminary in Beit Jala, Bethlehem University, the Emmaus Centre in Beit Sahour, and Mar Elias College in Ibillin. He also teaches Peace Studies and Conflict Resolution Strategies for the Master's in International Cooperation and Development (MICAD) program.

##### Mrs Laila Asfoura

Managing Director Laila Tours and Travel

##### Husam Wahhab

Certified Public Accountant and Lecturer, Bethlehem University

# Friends of the Holy Land

## Trustees' Annual Report *(continued)*

**Year ended 31 March 2021**

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### **George Saadeh**

Principal of the Shepherds Field Greek Orthodox School in Beit Sahour and former Deputy Mayor of Bethlehem

### **Bishop Hosam, Naoum**

Coadjutor Bishop of Jerusalem  
Dean of St George's Anglican Cathedral Jerusalem,  
Headmaster of St George's School, Jerusalem,  
Secretary to the Meeting of the Heads of Churches in Jerusalem

On 13 May 2021, Bishop Hosam Naoum, was installed as Archbishop in Jerusalem. He was succeeded on the Holy Land committee by Fr Fadi Diab, Rector, St Andrew's Episcopal parish in Ramallah.

The purpose of this Committee is to manage the permanent Friends of the Holy Land, 'FHL', office in Bethlehem, to identify, recommend, administer and monitor the objects of the charitable donations and to act on behalf of the Management Committee as the active administration of the Charity in the Holy Land within the West Bank and Gaza. The Committee has been instrumental in ensuring the Registration of the Charity with the Palestinian Authority as a branch of an overseas NGO in Palestine, granting the charity formal authority to conduct its charitable activities throughout the West Bank and Gaza. Support to Christians in Israel and Jordan is made direct from the UK or through local institutions.

The members of the Committees are all volunteers. A small office has been made available and permanent members of staff have been employed to carry out the day to day administration and recording of the Charity's activities in the Holy Land. Prior to the restrictions on travel imposed in the Pandemic, visits were made by senior members of the Management Committee to consult with and plan the activities of the Committee at approximately quarterly intervals. It is anticipated that those visits will resume when travel restrictions allow. In the meantime regular meeting conducted by Zoom have been held

### **Review and Strategic Plan of 31st March 2014.**

On 2nd July 2018 the Trustees approved an updated Strategic Framework and Plan for a further five years. The Plan has been regularly reviewed and updated by the Management Committee and by the Trustees.

### **Recruitment, Appointment and Training of Trustees**

During the year there were no new trustees appointed.

### **Governance and Internal Controls**

The Strategic Plan focused heavily on these issues and continued the steps previously taken by the Trustees to ensure that the Charity fully complies with all relevant Governance issues and sets up all appropriate and necessary controls to that end. Registration by the Palestinian Authority is welcome. The Trustees have approved a series of policy documents relating to and identifying all necessary areas of governance.

### **Ecumenical Progress In the Holy Land**

There has been continuing collaboration between the Charity and the institutions set up by the various churches in the Holy Land, particularly the Latin Patriarchate, the Episcopal Diocese of Jerusalem, Pontifical Mission Palestine (PMP) and Caritas Jerusalem. There has been acknowledgement of the different mission between the Charity and those institutions that accepts that the mission of the Charity is based in the support of identified individuals and families in need. However, these existing institutions with their wide networks of parishes and groups provide an essential filter for the Charity to identify individuals and families in need.

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## **Friends of the Holy Land**

### **Trustees' Annual Report** *(continued)*

**Year ended 31 March 2021**

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Whilst there is a close relationship with the Episcopal Church, the Latin Church and the Greek Orthodox Church through the individual members of the Holy Land Committee and the help that the charity is able to give, the intention of the Trustees remains to build closer links with all of the Christian Communities in the Holy Land.

#### **In England, Wales, Scotland and Continental Europe**

There has been continuing progress during the year involving the various Dioceses of both the Anglican and Roman Catholic Churches. The Management Committee has pursued its plan to build a network of Regional Coordinators, Ambassadors and Diocesan Coordinators to link with the Executive Director and Head Office in Kenilworth. The Bishops of England, Wales, Scotland and continental Europe have appointed a total of 44 Diocesan Coordinators whose appointments form the solid means of organization for our expanding work over here. We have begun to build relations and support for our mission with other denominations in this geography.

We continue to benefit from the help of each of our Patrons in this regard and all have continued to be active on our behalf throughout the year.

# Friends of the Holy Land

## Trustees' Annual Report *(continued)*

**Year ended 31 March 2021**

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### **Objectives and activities**

The prime objective of FHL is to support the Christian people of all denominations in the area of Palestine, Israel and Jordan, known as the Holy Land. This is achieved by raising awareness of the challenges they experience, encouraging prayers to be offered on their behalf, generating and channelling financial resources to provide a sustainable future and encouraging visits and pilgrimages to the Holy Land to meet local Christians.

The Charity is now over ten years old. It has been able to respond to the challenging conditions that have existing during the year under review by adopting a new strategy of launching appeals that are communicated directly to both its loyal supporters and new prospective supporters. These appeals have been focussed on the Pentecost and Christmas seasons with an appeal focussed on the increased needs in the Holy Land arising due to Covid. The results speak for themselves with both income and grants in the Holy Land increasing by 58% to record levels for the charity. These increased grants have been largely focussed on the relieving of unemployment conditions in the Holy Land generally through increasing our traditional work in family support, medical emergency support and school fees in the Bethlehem area, as well as adding more support in the wider West Bank, Gaza, Jordan and Israel

It remains clear that the work on the ground in the Holy Land and the pressures on the region imposed by the Pandemic on top of the difficult political situation, including armed conflict, mean that there is abundant need to be met. The Management Committee intends to meet as much of this need as possible by focusing all of its efforts in 2021/22 on resuming the traditional areas of the Charity's income as matters return to normal in the UK whilst maintaining the benefits that have resulted from the new approach of direct appeal so successfully commenced in the current year.

### **Impact of COVID 19**

The impact of Covid in the Holy Land has been devastating. In Israel at least there has been some support for the unemployment caused by the lack of travel and the lockdown. However, there has been no such support in The West Bank, Gaza and Jordan. As a result, approaching 80% of the population in the main tourist centres such as Bethlehem have been without income since March 2020. Although the vaccination programme has progressed across the region, due to the rise of new variants, tourism and business is yet to return. Our office in Bethlehem and our partners in the Holy Land are seeing unprecedented levels of requests for help. We are doing our best to respond and cooperating with other agencies where we can. In the UK the charity's traditional fundraising sources from parish group events and parish and diocesan appeals mostly dried up as all public worship was restricted. Applications to Trusts and Foundations were faced with difficult conditions as these entities were inundated with new applications. However, a change in strategy to focus on more regular and higher volume communications direct to existing supporters and reaching out to new supporters using all media has been very successful. In addition to increasing income, it has grown the supporter base.

### **Community Support**

Support for Christians is either through projects that support the community or most frequently direct to individual named families. (See Family Support below). Projects in the community during the last 12 months included: - St. Luke's Hospital Nablus. This is under the management of the Anglican Diocese in Jerusalem. FHL funded part of the 'exemption fund' for Christian patients who could not afford the costs of medications, operations or a hospital bed. - St. Vincent's Orphanage in Bethlehem benefited from FHL grants. - Iraqi Refugees in Jordan. These refugees are not granted work permits so cannot provide for themselves. During the year grants were made to a Latin and Anglican parish in Amman to support a local programme to provide essential medication and essential furniture, food, supplies and training to Iraqi refugees. The charity also supported a small job creation project relating to an ice-cream shop.



# Friends of the Holy Land

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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### Family Support

- Education. The payment or part-payment of school fees is a core FHL activity, enabling families to send children to 23 different faith schools in various towns and villages, principally in the West Bank but also in Nazareth and Jerusalem. Due to unemployment, families have found it especially difficult to meet these fees, therefore FHL has increased grants in this area by 35%. In addition, FHL supported students at 8 universities in the West Bank and continued a 4-year programme, contributing 50% of the grants for 24 students at universities in Gaza.

- Medical. Support has been given during the year to assist with the funding of urgent medical procedures and the provision of medications. Due to unemployment the charity has added a programme to support some of those with chronic illnesses with the expenses of their regular medications. In addition, the project which commenced in 2016 to fund Christian patients at the Ramallah Medical Centre for Diabetes and Cardiovascular Diseases under the management of the Anglican Diocese in Jerusalem continues, thanks to a grant from the 2016 Lent Appeal in the Diocese of Norwich. Funds were also provided to the Al Ahli Arab hospital in Gaza, run by the Anglican Diocese in Jerusalem.

- Regular support. The most needy families in the Christian community are identified by the FHL Holy Land Committee or local Clergy and their circumstances verified. FHL then provide regular help with 500 shekels (approx. £113) per month to these families ( ) which can make a significant difference to their quality of life. Cases are re-assessed every 12 months. Due to the pandemic conditions the number of cases helped has increased by 16 to 100 for the year.

- Housing repairs. These continue on an ad hoc basis according to cases brought to the attention of the Holy Land Committee. Work can include decorating, damp-proofing, electrical and plumbing repairs to more significant improvements such as installing a new kitchen, bathroom and water tanks. . Unfortunately, due to the pressures for emergency support, this project has taken a back seat in the last year.

### Social Care for the Elderly - St. Martha's House

This is undertaken through support to the running costs of St. Martha's House, the first Day Care Centre for elderly ladies in the Bethlehem area. The house is open 4 days a week and provides comfort and support as well as practical facilities, such as lunches, hairdressing and pedicure, twice a week to 30 Christian ladies, mostly widows with no family member to help them. FHL is the sole funder of this project and has been able to continue to support the operation of St Martha's House and its community of elderly women through the trials of the pandemic.

### Children with Special Needs - School of Joy

The School of Joy, a school for children with Special Needs in Beit Sahour, is now solely supported by funds from FHL. In the pandemic there have been no visitors to make donations and the other charities that previously helped have been unable to find the funds to continue with their support. Over the years, funding had enabled the school to increase from 30 children and 3 classes in 2011 to 68 children in 6 classes in 2020. However, in the pandemic children from Hebron were unable to regularly attend the school so numbers reduced to an average of 60 over the last year. FHL has ensured the school can remain open despite the more difficult operating and health conditions caused by the pandemic.

### Development in the UK

Since taking over responsibility for the day to day running of the Charity in February 2019, Brendan Metcalfe has sought to revitalize the existing supporter base and reach out to new supporters through a fresh, systematic communications campaign, using all media channels available including social media. Prior to Covid 19 lockdown, there had been a significant increase in face to face presentations

# **Friends of the Holy Land**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 March 2021**

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and meetings around the country.

Since March 2020 the team at FHL have made significant changes to respond to the changing fundraising environment in the UK as noted above by a new strategy of launching appeals that are communicated directly to both its loyal supporters and new prospective supporters. These appeals have been focussed on the Pentecost and Christmas seasons with an appeal focussed on the increased needs in the Holy Land arising due to Covid. This has meant engaging with new communication channels and fundraising using the recently updated website and other new platforms as well as the traditional posted appeals. This strategy is being assessed and developed to continue to respond to the changing conditions for fundraising in the UK.

### **Achievements and performance**

#### **Financial Report**

Income was derived from donations from charitable trusts, individual donations, legacies, fundraising activities, parishes and dioceses in England, Wales, Scotland and Europe through appeals or through the activities of support groups including those formed in parishes. The accounts for the year reveal an income of £885,808, an increase over the previous year of 58%. The charitable grants made during the year to 31st March 2021 were £621,348, an increase of 58% year on year.

# Friends of the Holy Land

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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### Financial review

#### Reserves Policy

As the Charity develops it is the policy of the Trustees to hold a financial reserve to cover 6 months administration expenses together with a contingency to ensure a continuity of operation can be maintained in circumstances where income may be temporarily reduced or to respond to any funding emergency that may arise.

#### Pensions

The Charity contributes to a defined contribution scheme and has no legal or constructive obligations to pay further contributions if the fund does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

#### Going Concern

Whilst the Trustees are mindful that the Charity is dependent upon income and donations from individuals and Charitable Trusts/Foundations, they have a reasonable expectation that this will continue for the foreseeable future. Furthermore, grants are only made following the receipt of donations and for these reasons it continues to adopt the 'going concern' basis in preparing the financial statements.

#### Risk Assessment and Management

The Trustees currently believe the effects of Covid represent a severe risk to the Charity. Otherwise there are no significant risks in the management of the Charity and the disbursement of benefits. Normal management controls are in place. A Risk Assessment has been carried out by the Trustees.

#### Investment Policy

Under the Declaration of Trust the Trustees have powers to make any investment the Trustees see fit. Apart from the investments in bank accounts revealed by the statement, at present the Charity has no other investments.

#### Public Benefit Statement

The Trustees consider they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Charity's activities satisfy the objectives set out in its constitution and described on page one of the Annual Report and Accounts.

#### Statement of Trustees Responsibilities

Charity Law and the Charity's constitution require the Trustees to prepare financial statements for each financial year which comply with the Charities Act 2011. In preparing these financial statements, the Trustees are required to select suitable accounting policies and apply them consistently, 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, and prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the Charity will continue its operations.

The Trustees confirm that the above requirements have been complied with in the financial statements.

In addition, the Trustees are responsible for and consider they have maintained adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and sufficient internal controls to safeguard the assets of the Charity and to prevent and to detect fraud or any other irregularities.

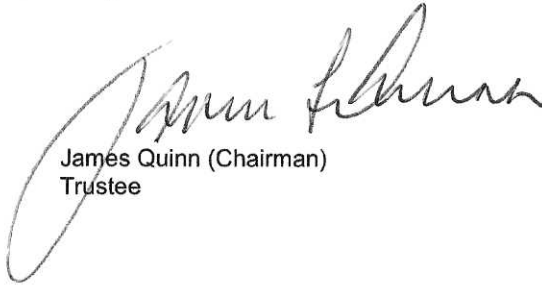
## Friends of the Holy Land

### Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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The trustees' annual report was approved on 30 September 2021 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to read 'James Quinn', is written over the printed name and title.

James Quinn (Chairman)  
Trustee

# Friends of the Holy Land

## Independent Examiner's Report to the Trustees of Friends of the Holy Land

Year ended 31 March 2021

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I report to the trustees on my examination of the financial statements of Friends of the Holy Land ('the charity') for the year ended 31 March 2021.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*P. Hawkes*

Philippa Hawkes BA CA  
Independent Examiner

3B Swallowfield Courtyard  
Wolverhampton Road  
Oldbury  
West Midlands  
B69 2JG

# Friends of the Holy Land

## Statement of Financial Activities

Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	4	784,152	76,515	860,667	544,814
Other trading activities	5	24,450	—	24,450	15,153
Investment income	6	691	—	691	1,055
<b>Total income</b>		<u>809,293</u>	<u>76,515</u>	<u>885,808</u>	<u>561,022</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of other trading activities	7	10,264	—	10,264	11,495
Expenditure on charitable activities	8,9	180,795	621,348	802,143	561,879
<b>Total expenditure</b>		<u>191,059</u>	<u>621,348</u>	<u>812,407</u>	<u>573,374</u>
<b>Net income/(expenditure)</b>		<u>618,234</u>	<u>(544,833)</u>	<u>73,401</u>	<u>(12,352)</u>
Transfers between funds		(602,151)	602,151	—	—
<b>Net movement in funds</b>		<u>16,083</u>	<u>57,318</u>	<u>73,401</u>	<u>(12,352)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		204,662	69,095	273,757	286,109
<b>Total funds carried forward</b>		<u>220,745</u>	<u>126,413</u>	<u>347,158</u>	<u>273,757</u>

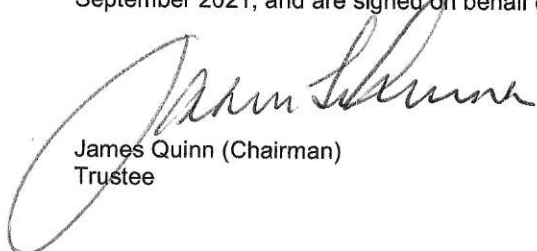
The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 15 to 23 form part of these financial statements.

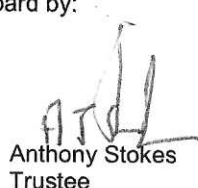
**Friends of the Holy Land**  
**Statement of Financial Position**  
**31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	16	3,738	—
<b>Current assets</b>			
Stocks	17	3,724	4,370
Debtors	18	45,534	43,226
Cash at bank and in hand		297,137	282,062
		<u>346,395</u>	<u>329,658</u>
<b>Creditors: amounts falling due within one year</b>	19	2,975	55,901
<b>Net current assets</b>		<u>343,420</u>	<u>273,757</u>
<b>Total assets less current liabilities</b>		<u>347,158</u>	<u>273,757</u>
<b>Net assets</b>		<u>347,158</u>	<u>273,757</u>
<b>Funds of the charity</b>			
Restricted funds		126,413	69,095
Unrestricted funds		220,745	204,662
<b>Total charity funds</b>	21	<u>347,158</u>	<u>273,757</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 September 2021, and are signed on behalf of the board by:



James Quinn (Chairman)  
Trustee



Anthony Stokes  
Trustee

The notes on pages 15 to 23 form part of these financial statements.

# Friends of the Holy Land

## Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	73,401	(12,352)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,272	—
Other interest receivable and similar income	(691)	(1,055)
Accrued expenses	903	21
<i>Changes in:</i>		
Stocks	646	(1,286)
Trade and other debtors	(2,308)	(32,336)
Trade and other creditors	(53,829)	50,242
Cash generated from operations	19,394	3,234
Interest received	691	1,055
Net cash from operating activities	<u>20,085</u>	<u>4,289</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(5,010)	—
Net cash used in investing activities	<u>(5,010)</u>	<u>—</u>
<b>Net increase in cash and cash equivalents</b>	15,075	4,289
<b>Cash and cash equivalents at beginning of year</b>	282,062	277,773
<b>Cash and cash equivalents at end of year</b>	<u>297,137</u>	<u>282,062</u>

The notes on pages 15 to 23 form part of these financial statements.



# Friends of the Holy Land

## Notes to the Financial Statements

Year ended 31 March 2021

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### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Farmer Ward Road, Kenilworth, Warwickshire, CV8 2DH.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income and expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The entity constitutes a public benefit entity as defined in FRS102.

#### Going concern

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity and as such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- Disclosures in respect of financial instruments have not been presented

#### Exchange rates

Transactions in foreign currency have been converted to sterling at the average exchange rates during the year.

#### Taxation

The Charity is exempt from taxation on its charitable activities.

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 3. Accounting policies *(continued)*

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates or judgements have been made by management when preparing the financial statements. The policies followed are shown below.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

#### **Incoming resources**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

#### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 3. Accounting policies *(continued)*

#### Resources expended *(continued)*

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations and legacies</b>			
Donations and legacies	<u>784,152</u>	<u>76,515</u>	<u>860,667</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations and legacies</b>			
Donations and legacies	<u>398,267</u>	<u>146,547</u>	<u>544,814</u>

During the year the Trustees made donations of £12,733 to the charity.

### 5. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Commercial activities: Olive wood products	<u>24,450</u>	<u>24,450</u>	<u>15,153</u>	<u>15,153</u>

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 6. Investment income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Bank interest receivable	691	691	1,055	1,055

### 7. Costs of other trading activities

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Olive wood products	10,264	10,264	11,495	11,495

### 8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Grant making	—	621,348	621,348
Support costs	180,795	—	180,795
	<u>180,795</u>	<u>621,348</u>	<u>802,143</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Grant making	—	394,388	394,388
Support costs	167,491	—	167,491
	<u>167,491</u>	<u>394,388</u>	<u>561,879</u>

### 9. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Grant making	621,348	180,795	802,143	561,879

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 10. Analysis of support costs

Support costs can be analysed as follows:

	2021	2020
	£	£
Employee costs	104,343	90,269
Rent and rates	8,118	7,793
Holy Land office	18,277	17,253
Sundry expenses	4,212	4,542
Telephone	1,638	1,640
Post and stationery	2,313	1,910
Marketing	33,972	25,380
Travelling expenses	—	12,648
Computer expenses	6,650	6,056
Depreciation	1,272	—
	<u>180,795</u>	<u>167,491</u>

### 11. Analysis of grants

Grants can be analysed as follows:

	2021	2020
	£	£
Community Support	64,327	30,631
Family Support	431,282	232,537
Martha's House	54,276	51,395
School of Joy	71,463	79,825
	<u>621,348</u>	<u>394,388</u>

### 12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>1,272</u>	<u>—</u>

### 13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>720</u>	<u>720</u>

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	82,336	85,498
Social security costs	6,253	2,753
Employer contributions to pension plans	15,754	2,018
	<u>104,343</u>	<u>90,269</u>

The average number of employees during the year was 3 full time equivalents (2020: 3)

The average head count of employees during the year was 5 (2020: 5).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

### 15. Trustee remuneration and expenses

The Trustees give freely their time and expertise without any form of remuneration or other benefit.

Travelling expenses to the Holy Land amounting to £Nil (2020: £1,277).

### 16. Tangible fixed assets

	Equipment
	£
<b>Cost</b>	
At 1 April 2020	8,880
Additions	5,010
Disposals	(8,880)
<b>At 31 March 2021</b>	<u>5,010</u>
<b>Depreciation</b>	
At 1 April 2020	8,880
Charge for the year	1,272
Disposals	(8,880)
<b>At 31 March 2021</b>	<u>1,272</u>
<b>Carrying amount</b>	
<b>At 31 March 2021</b>	<u>3,738</u>
At 31 March 2020	<u>—</u>

### 17. Stocks

	2021	2020
	£	£
Raw materials and consumables	<u>3,724</u>	<u>4,370</u>

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 18. Debtors

	2021 £	2020 £
Trade debtors	—	263
Prepayments and accrued income	2,680	1,528
Other debtors	42,854	41,435
	<u>45,534</u>	<u>43,226</u>

### 19. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	—	53,829
Accruals and deferred income	2,975	2,072
	<u>2,975</u>	<u>55,901</u>

### 20. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £15,754 (2020: £2,018).

### 21. Analysis of charitable funds

#### Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 20 21 £
General funds	<u>204,662</u>	<u>809,293</u>	<u>(191,059)</u>	<u>(602,151)</u>	<u>220,745</u>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 20 20 £
General funds	<u>244,119</u>	<u>414,475</u>	<u>(178,986)</u>	<u>(274,946)</u>	<u>204,662</u>

# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 21. Analysis of charitable funds *(continued)*

#### Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 20 21 £
Restricted funds	69,095	76,515	(621,348)	602,151	126,413

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 20 20 £
Restricted funds	41,990	146,547	(394,388)	274,946	69,095

#### Movement in funds

	Opening balances £	Incoming resources £	Outgoing resources £	Transfers £	Closing balances £
Unrestricted	204,662	784,152	(165,918)	(602,151)	220,745
Designated	—	—	—	91,600	91,600
Family support	36,375	25,401	(431,282)	369,506	—
Community support	2,720	17,583	(64,327)	48,837	4,813
Martha's House	—	2,226	(54,276)	52,050	—
School of Joy	30,000	31,305	(71,463)	40,158	30,000
	273,757	860,667	(787,266)	—	347,158

The balances on restricted funds represent income from donations specifically given and not spent by the year end. These funds include donations received to be distributed over the next two years. The transfers from unrestricted funds represent expenditure met out of general funds not covered by specific donations.

### 22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Current assets	223,720	126,413	350,133
Creditors less than 1 year	(2,975)	—	(2,975)
<b>Net assets</b>	<b>220,745</b>	<b>126,413</b>	<b>347,158</b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Current assets	218,164	111,494	329,658
Creditors less than 1 year	(13,502)	(42,399)	(55,901)
<b>Net assets</b>	<b>204,662</b>	<b>69,095</b>	<b>273,757</b>



# Friends of the Holy Land

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 23. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>282,062</u>	<u>15,075</u>	<u>297,137</u>

### 24. Related parties

No Trustee or other person connected with the Charity had any personal interest in any contract or transaction entered into by the Charity during the year. The Trustees are not aware of any related party transactions requiring disclosure.