

Charity Registration No. 1143272

Company Registration No. 07469168 (England and Wales)

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Michael Sorkin Mr Anthony Rosenfelder Mr Alain Stechler Mr Martin Paisner Mr Michael Sandler Mr Nigel Sloam	(Appointed 6 August 2020)
Charity number	1143272	
Company number	07469168	
Registered office	5 Technology Park Colindeep Lane London NW9 6BX	
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW	
Bankers	HSBC Bank Plc 8 Canada Square London E14 5HQ Bank Leumi (UK) Plc 20 Stratford Place London W1C 1BG National Westminster Plc 135 Bishopgate London EC2M 3UR Barclays Bank Plc 1 Churchill Place London E14 5HP	

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and 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) (effective 1 January 2019).

In this context the Trustees have complied with the duty in section 17 (5) of the 2011 Charities Act in giving due consideration to the Charity Commission's guidance on Public Benefit. The report is prepared in accordance with the small companies' regime (Section 419(2) of the Companies Act 2006).

Principal aims and objectives

"To save a life is to save the world. Nowhere is this clearer than at Shaare Zedek. A hospital not just with a heart but with a soul that makes the world a better place."

Quote from a relative of a Shaare Zedek patient

Our mission is to support, by all such means as may be charitable in law and for exclusively charitable purposes, Shaare Zedek Medical Centre (Shaare Zedek) in providing world class care for all patients irrespective of their ability to pay, nationality, age, race or religion. We provide financial support to fund services, capital projects, research and the purchase of equipment for the hospital.

History

Founded in 1902, Shaare Zedek has been known as the "Hospital with a Heart" for more than a century. This reputation as a patient's first choice of hospitals stem from its unwavering commitment to all its patients, regardless of race, religion, political view or country of origin. All patients who are admitted receive the most advanced medical treatment available in a compassionate, supportive and nurturing environment. The hospital's ethos, "delivery of care and pioneering approaches to research", provides hope for us, hope for Israel and hope for the world.

Since 1902, the Hospital has chartered the course of Jerusalem's modern development and has been instrumental in the city's growth. Over half of Jerusalem's children live below the poverty line. Shaare Zedek was one of the first hospitals in Israel to recognise the need for specialist paediatric medical facilities and is home to Jerusalem's only dedicated Women and Children's Hospital.

Shaare Zedek 2020

Today Shaare Zedek Medical Centre is a 1,000-bed facility with close to 100 departments, treating 800,000 patients annually. As the fastest growing hospital in the region, the hospital continues to respond to and plan for the needs of Jerusalem's uniquely diverse population. Its current major expansion projects include the Radiotherapy Institute, a much-needed new facility to support patients from across the region. The most pressing expansion is the doubling of the size of its Emergency Department. The daily growth in demand on its urgent care facilities in the region necessitates a bigger department with the latest technology to ensure they are much better equipped to respond.

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Message from our New Director General

I begin by expressing my hope that all is well with you and your families in what continues to be a trying time. We are currently in a period that has literally changed the world. While nearly every aspect of our lives has been impacted by Covid-19 Shaare Zedek's role in responding to this disease has been not only the source of enormous challenge, but one of great pride.

The challenge has been in treating a disease that the medical world is only just beginning to understand, while being forced to overhaul much of our patient-care infrastructure. Compounding that challenge was the massive investment of financial and human resources placed into our Covid-19 response program and how the crisis forced the temporary closure of many other departments of the hospital.

The pride emanates from the fact that we quickly became Israel's second most active Covid-19 Care hospital and we played a critical function in the care of thousands of Covid-19 patients. There is no doubt that the levels of preparedness that we put into place – some measures which were enacted many months before the world had even heard the term Covid-19 – were instrumental in our success.

While treating Coronavirus cases has certainly been a significant focus over the last year at Shaare Zedek, we have remained focused on our broader vision of comprehensive medical care. All major activities remained in place alongside our developmental projects.

We thank you, our friends in the UK, for digging deep and supporting us at this uniquely challenging time for Shaare Zedek. The crisis required a tremendous investment for rapid construction and the purchase of new equipment so I extend my sincere thanks and look forward to our continued partnership in caring for the people of Jerusalem and Israel.

Professor Ofer Merin, MD
Director General, Shaare Zedek Medical Centre

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Objectives and activities

Activities

In order to achieve our key objectives, Shaare Zedek UK employs a small office team led by an Executive Director working in partnership with trustees and other lay leaders, supported by a small but growing number of energetic volunteers.

Shaare Zedek UK promotes awareness of the activities of Shaare Zedek Medical Centre. We also seek to promote support of the charitable activities of the hospital, and in particular its charitable activities for the public benefit in health welfare, medical and scientific advancement and best practice in patient treatment. We raise funds through donations, legacies, solicited mailings, events, direct approaches and special appeals.

Achievements and Performance

Achievements on the ground: The impact of our fundraising

An unprecedented year: Shaare Zedek's fight against Covid-19

As Jerusalem's only centrally-located major hospital, Shaare Zedek takes its responsibility to be ready for any circumstance very seriously. From biohazard drills to mass casualty events, its teams undertake regular training to ensure that facilities, equipment, systems and staff are all ready for any eventuality.

In early 2019, the hospital ran an emergency scenario for a pandemic. This resulted in purchasing additional equipment and strengthening of protocols for such an event. No-one could have foreseen that these would be put to use as quickly as early 2020 when the Covid-19 virus arrived in Israel. Having prepared for such a scenario, its teams were already confident in their processes and procedures for treating patients in an isolation environment. Consequently, its efforts could be more usefully focused on adapting the facilities to meet the growing needs as patient numbers increased.

The Covid-19 response began in early March when the pandemic first arrived in Israel with its medical teams trained and ready to confront the crisis with comprehensive and compassionate care. Immediately upon recognizing the scope of the challenge, its medical and support teams began setting up multiple Keter (Covid-19) units including a dedicated ICU, a large biological patient absorption unit, a paediatric Keter unit and various other support and treatment facilities. The hospital has sampled more than 2,500 Covid-19 patients, establishing Biobank – one of the world's largest Covid-19 databases that allows researchers to characterize the disease, identify complications, find novel diagnostic methods, vaccines and even contribute to testing new treatments. More than 65 Coronavirus studies have already been performed at the hospital and it has been used extensively for local and international research purposes.

A comprehensive testing system was set up by its Laboratory Department and they operate numerous clinics for the ongoing monitoring of prior Covid-19 patients – both children and adults.

In mid-December the hospital began intensive vaccination efforts in the very physical space where the first Covid-19 patients were treated. In the first 5 days of the vaccination programme over 2,000 staff- the majority of our staff team- had been vaccinated.

Research efforts focused on early detection of Covid-19 through non-invasive means including a collaborative study with Israel's Biological Research Institute for a breathalyser test for Covid-19. One of the many benefits of patient-based research work is its ability to report patterns and anomalies quickly. As one of Israel's busiest Covid-19 hospitals, Shaare Zedek have treated a large volume of patients and as such were able to contribute to global learning about the virus in real time. Shaare Zedek's findings have been shared and used by the scientific community around the world, and have been reported widely in the international press. Its global reputation for excellence and pioneering treatment has been significantly bolstered by its response to this pandemic.

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Since the first patient arrived for treatment for Coronavirus until the end of 2020, our Covid-19 Unit recorded:

- 69,316 Hospitalisations
- 3,432 Patients in inpatient care
- 1,225,284 Hours of assisted respiration
- 142,041 Face shields
- 1,121,276 Protective gowns
- 2,082,144 Masks
- 50,950 Full body suits
- 140,423 Pairs of gloves

Other achievements in 2020

Treating Jerusalem through a pandemic

2020's activities were defined by the Covid-19 crisis which affected all aspects of the hospital's operations. This included a temporary reduction of services in some areas of the hospital as a result of government-imposed departmental closures as well as an overall reduction in patients due to lockdowns and other factors outside of the hospital's control. Below is a summary of Shaare Zedek's key patient statistics for 2020:

- 1,000 patient beds
- 262,289 imaging scans
- 406,936 hospitalisation days
- 21,878 babies born
- 34,944 surgeries
- 846,017 outpatient clinic visits
- 138,043 Emergency Department cases
- 2,310 cardiac procedures
- 1,325 neurological procedures
- 3,432 Covid-19 patients treated
- 69,316 Covid-19 hospitalisation days
- 1,225,284 hours of assisted respiration (Covid-19 wards)
- 1,175 physicians
- 1,959 nurses
- 613 paramedical staff

While Covid-19 certainly defined the year for the medical centre, there were many other accomplishments and developments recorded. Most significantly, the hospital is positioned to significantly increase in size and scope in the coming year with the projected completion of the first phase of the Cancer Care Centre. This is all part of the "master plan" to be completed over the next decade and a half and designed to triple our patient care areas.

Alongside this, all its "general" medical services went on at all hours of the day and night with surgeries, outpatient visits and of course births once again recording impressive annual numbers.

Among its proudest accomplishments for the year:

- Active construction moved ahead on its new Radiotherapy Institute and parking tower as well as building commencing on the expanded Emergency Department.
- The Department of Medical Genetics advanced new research for the early detection of the BRCA 1 and 2 mutations allowing for identification before the onset of cancer and significantly increasing patient survival rates.
- The Wilf Woman and Infant Centre became the first maternity program in Israel to adopt a new protocol promoted by the International Paediatric Association to use specially designed "sleeping bags" known to be safer and address risks of Sudden Infant Death Syndrome (SIDS).

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- Shaare Zedek became the first hospital in Israel to use an innovative surgical technique to address a congenital kidney malformation in a one-and-a-half-month-old baby.
- The hospital recorded high marks in standard reviews by the Israel Ministry of Health which credited Shaare Zedek with providing the highest levels of service, delivered with professionalism in standing at the forefront of medical care for the people of Israel.
- The medical staff once again contributed to IDF relief efforts including leading a major international field hospital drill.
- Internationally renowned ethicist and Paediatric Neurologist at Shaare Zedek Professor Avraham Steinberg received the prestigious Yakir Yerushalayim Award.
- A beloved and long-time volunteer at the hospital, Reina Abitbul, was selected for the high honour to light one of the torches at the annual national Independence Day celebration.
- Yirah Levy, a National Service volunteer who serves in the Covid-19 ward was honoured with an award for her service by Israel's President.
- Dr. Ramzi Kurd, Head of Covid-19 Department at Shaare Zedek Medical Centre was selected as one of the top 40 promising people in Israel under the age of 40.

Shaare Zedek once again welcomes the chance to renew its commitment to the people of Jerusalem and Israel, as it has done for nearly 120 years, to serve its community with compassion, dedication and looks forward to a new year defined by happiness and health.

Global Impact: Partnerships and collaboration

This year as in other years, Shaare Zedek's work with technology and bio-tech companies, hospitals, governments and charities has helped it to provide better care for its own patients as well as sharing best practice around the world, and only serves to grow its global reputation for excellence and innovation. The achievements in clinical excellence, pioneering research and collaboration with its international counterparts have generated public benefit with local and global impact, attracting the attention of world media and praise in international journals. These partnerships provide huge benefits to its patients, often enabling Shaare Zedek to embrace cutting-edge technology and equipment at no cost to the hospital.

Teams across the hospital are regularly involved with supporting medical provision and infrastructure in developing countries. One such initiative is its Cardiology partnership in Ethiopia, training two new specialists every year to strengthen Ethiopia's expertise in paediatric medicine. This year the hospital has hosted several international governmental medical delegations to share its expertise in adapting to the Covid-19 global pandemic. This included a visit from the Ambassador of Kosovo to Israel who pledged to establish medical cooperation efforts between the two countries and invited Shaare Zedek to lead a medical exchange delegation to Kosovo.

Professor Natan Bornstein, Director of the Helmsley Neurological Institute and an internationally respected expert in Neurology, has been appointed to serve as Chair of an Israeli Ministry of Health special commission on neurological care. The creation of the commission comes in light of an increase in neurology cases throughout the country. The commission is designed to provide overall recommendations that can then be implemented to improve neurology care across the national health system.

Professor Bornstein, who holds the David B. Keidan Chair in Neurology, heads Shaare Zedek's comprehensive neurology program, which was set up five years ago as an umbrella service named the Helmsley Neurological Institute. The Institute includes dedicated programs for stroke care, general and paediatric neurosurgery and interventional neuro-radiology.

The services have become nationally and internationally known for embracing increasingly ground-breaking methods and technologies for the diagnosis and treatment of a wide variety of neurological conditions and injuries to the brain and spinal column.

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Additional medical units have been set up for treatment of related conditions like motor diseases and chronic headaches. According to Professor Bornstein, there has been a noticeable increase in brain disease in Israel which demands a systemic response – both on the level of hospital-based medicine and with increased awareness and training on the community-medicine level. *“This commission which I will chair will create a detailed assessment of the increase that we are witnessing, and map the existing infrastructure so we can better determine where we need to invest in additional resources. I welcome this opportunity and thank the Health Ministry for placing their confidence in me to lead this effort to enhance and improve the level of neurological care throughout Israel.”*

Shaare Zedek Scientific (SZC) had another year of rapid growth in 2020. It is SZC's goal to act as an innovation bridge between leading companies in the fields of medical research and our hospital. SZC is responsible for research and development collaborations between the Medical Centre and industry, including implementing new technologies in the field of digital health and providing access to medical data through Shaare Zedek's Innovation Centre.

A central pillar of Shaare Zedek's vision is to promote the medical field by engaging in research at all levels. This mission has guided Shaare Zedek for nearly 120 years, to advance innovative modes of medical care that embrace new technologies and methods for the benefit of the community. Indeed, SZC encourages clinicians and scientists to maximize their innovation potential in industry and investigator-initiated research projects across a broad range of applied and theoretical topics and disciplines. This includes basic science, clinical trials, and practical innovation such as development of medical devices. This helps promote an always-expanding and increasingly productive collaboration with key industry players. Shaare Zedek Scientific provides the professional support the investigators require to foster a fruitful interaction with industry players and other academic institutes. Today, through the dynamic infrastructure Shaare Zedek has created, it is increasingly positioned to push those goals even further and expand beyond boundaries for enhancing healthcare science all over the world.

SZC has formed many partnerships this year in researching Covid-19. Our BioBank has become a resource to companies around the world. A partnership with Sight Diagnostics has focused on early detection and fighting Covid-19. Throughout the year it has been mutually benefiting from a close partnership in researching early diagnosis methodologies for Covid-19 patients. Utilizing Shaare Zedek's BioBank, home to one of the world's largest resources of bio-data related to Coronavirus, together it is continuously advancing its understanding of this virus and enhanced methods for diagnosis and treatment. Sight Diagnostics won the Genesis Prize for this work in early 2021.

Its partnership with Google continues through their life-science focused sister company, Verily. SZC recently announced a collaboration on a clinical study of AI-powered colonoscopy.

Another partnership with Sight Diagnostics has been formed to identify the possibility of blood cancer using a combination of images and data collected from Sight's OLO device and patient clinical information provided by the hospital. The research focuses on developing the capability to detect and classify white blood cells, and more specifically, to differentiate between different types of white blood cells in the immune system called lymphocytes, a procedure that has greatly challenged the global haematological community.

As Shaare Zedek enters into new areas of patient care, whilst developing new technologies and research focused on medicine for the future, Shaare Zedek believes its unique approach to integrated and personalised medicine will continue to cement its mark on Jerusalem, Israel and across the world.

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UK funding

Most of our donors in 2020 responded to the Emergency Coronavirus appeal. The hospital started dealing with patients suffering with Coronavirus symptoms in early March 2020 and this is when we launched our Emergency Appeal at Shaare Zedek UK. Shaare Zedek's medical teams were trained and ready to confront the crisis with their usual comprehensive and compassionate care. However very early on the hospital recognised the huge challenge in front of them and launched an international emergency appeal to meet the challenge. Within weeks UK donors had raised thousands and by the end of 2020 we had sent £1,880,010 to Shaare Zedek Medical Centre specifically to support the fight on Covid-19.

The statistics do not explain the human toll the virus has taken on our teams. All of the staff, from doctors to cleaners found themselves working in a new potentially life-threatening environment. The hospital management took the decision not to make anyone work in the Keter units and asked staff to volunteer. The incredible efforts of these staff who voluntarily put themselves on the line are nothing short of heroic. Their experiences were captured by members of the team who wrote public diaries of daily life in the Keter wards, art exhibitions were displayed in the hospital entrance. A news crew made a short film about life in the Shaare Zedek ward which is available to view on our website. It is proud of the zero infection rates amongst staff from the hospital wards, but many staff were infected whilst outside of work, or self-isolating with their families. On Erev Rosh Hashanah, there were 40 staff members sick with Coronavirus, two weeks later the number jumped to 56 (an increase of 40%). At one point in time there were more than 200 staff members in isolation. In the UK we launched a Covid-19 care package scheme to fund self-care package for any staff self-isolating.

Other donors responded to our emergency appeal by completing pledges early, redirecting funds to the emergency appeal or making large donation to other departments in need of urgent funds, such as the Emergency Department. In total, UK donors generosity enabled us to send £4,244,962 to the hospital in 2020.

In solidarity with colleagues in Israel, Our Executive Director voluntarily took a salary sacrifice at the height of the pandemic, following the example of the senior leadership team at the hospital who took similar action.

In addition to the emergency appeal for Covid-19, gifts have been made across many of the 100+ departments at the hospital. Donors choose to support departments with which they have a personal affinity as well as responding to our appeals to support the needs of specific departments as dictated by the Board of the hospital. The UK office has designated unrestricted funds to the departments most in need of support to ensure the maximum impact of UK donations. This year donations have been restricted and designated to support Intensive Care, Neurology & Neurosurgery, Obstetrics and Gynaecology, Neonatal Intensive Care, Cardiology, Oncology, Radiotherapy Institute, Emergency and Paediatric Emergency, Robotic Surgery, Paediatric Oncology & Haematology, and various other departments within our dedicated Children's Hospital. In addition, a small number of donors have chosen to support training opportunities for doctors and nursing scholarships.

There is a strong British footprint in every one of the hospital's 14 internationally recognised Centres of Excellence. Fundraising in the UK has always been conducted in close partnership with the leadership of the hospital in Jerusalem. In March 2019 Professor Ofer Merin became the Director-General of Shaare Zedek Medical Centre, with former Director-General Professor Jonathan Halevy becoming the President of the hospital. Professor Halevy continues to lead the fundraising strategy for the hospital in his new role. Collaboration between professional colleagues and board members grows each year. This year our Executive Director and Chairman attended the online board meeting of the International Board of Governors of the hospital. We have enjoyed a close working relationship with both the President and Director General of the hospital and their teams. This year the UK team joined a call bringing the international offices fundraising for Shaare Zedek together to discuss further collaboration. We look forward to a continued partnership with Professors Halevy and Merin and are indebted to them for their visionary leadership and continued service. We are grateful to Uri Schwarz and the entire fundraising team at Shaare Zedek Medical Centre who support our fundraising efforts on the ground in Israel.

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Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Organisational Objectives for 2020 - a difficult year

These were the specific objectives in 2020 and how we performed to meet them:

Objective 1: Fundraising for Shaare Zedek Medical Centre

Our planned activity for the year and all charitable operations and administration were disrupted and hugely impacted by the global pandemic. Despite this, the generosity of our donors has resulted in us being able to raise £4,492,953 this year, with £4,244,962 already sent to the hospital directly.

Fundraising programmes and events

The majority of funds raised in 2020 were received in response to our Emergency Coronavirus Appeal. The most successful fundraising methods were part of our ongoing relationship with existing major donors, individual interactions with prospective donors and in response to direct mail and email campaigns as well as legacy gifts.

The work of our staff team during this period has been exemplary and inspirational. In addition to our responsibilities to fundraise for the hospital we felt a responsibility to our donors. In addition fundraising staff spent a huge amount of time looking after our donors, contacting all the donors we know personally to ensure everyone was safe and to offer support if it was needed. The team provided various forms of support, from buying groceries and collecting medications to signposting people for additional support required.

All events and challenges planned for 2020 were cancelled due to pandemic. We were very fortunate to be able to run Zoom briefings direct from Shaare Zedek on topics from 'Corona through the eyes of sick children' to Compassion from Behind the Mask'. To date our most popular briefing was held by President of Shaare Zedek, Professor Jonathan Halevy on the Covid-19 vaccination. This was a topic of major interest and we had over 250 attendees from around the world. Many more have viewed the recording since the live briefing which was made available to watch on our website. We hope to be able to continue to make use of online events connecting our donors directly to our doctors and nurses in the future. Whilst they cannot replace a visit to the hospital, these events allow us to connect with donors and potential supporters who may otherwise not have the opportunity to hear about our work. These events were free of charge to attend and open to all as it was felt this was a public service we could provide during the global pandemic. Many of the donors from the UK who attended the calls had already contributed to our emergency appeal and a few did so after the events.

We continue to follow Government guidance closely and keep up to date with announcements from the providers of the challenge events we usually participate in. We take a decision on a case by case basis as to whether we will participate in any challenge events. In the first half of 2021 we have not held any events. At our board meeting later in the year we will discuss if any in person events are possible in 2021 or if we should wait until 2022.

Our Celebrations programme continues to be popular, offering certificates and personalised cards for those celebrating birthdays, anniversaries and festivals, and those who wish to support Shaare Zedek by asking family and friends to make donations to the hospital. Our income from celebrations this year includes a matched funding gift to encourage bar and bat mitzvah aged teenagers to raise funds for us. Celebrations income has declined this year as many supporters cancelled or postponed their celebrations due to the pandemic. We expect to see an increase in these gifts as lockdown restrictions ease.

In 2020 we registered with Benevity, the workplace giving programme. There are over 600 companies that match employee charitable gifts through this programme. We are grateful to one of our donors who suggested our registration with Benevity. We are promoting the programme through our publications and website and hope to be able to engage with employers offering matched-giving programmes in the year ahead.

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Our marketing and communications strategy has continued to develop with an emphasis on personality and warmth, showing supporters the impact of their gifts and providing the living bridge between donors and the hospital. Our website allows donors to stay up to date with activities in the UK as well as at the hospital. Donors now have the ability to fundraise within our website, setting their own fundraising challenges and activities without the cost of using third party platforms, enabling all of the funds raised to benefit the charity directly. Our social media channels have been a central point through which we have engaged with supporters and wider audiences during the pandemic. The emotive stories from the hospital have provided much inspiration and motivation for donations.

Appeals income has increased in 2020. Supporters were warm in their response to our direct mail campaigns and keen to do what they could as hospitals were at the forefront of the pandemic. We expect that this will decline in 2021 as the wider effects of the pandemic have taken effect and hospitals are no longer the only urgent priority.

Several synagogues, notably Edgware Adath Yisroel Synagogue, support our endeavours through their Kol Nidre Appeals. We are trying to develop relationships with more communities to increase awareness and fundraising capabilities.

Calendar advertising has been declining in recent years. The calendar is an effective marketing tool, particularly for legacies and as such is still an important publication which is also profit making. In order to maximise profits we hope in 2021 or in 2022 to recruit an advertising committee who can work on bringing in calendar adverts throughout the year.

Several donations of goods in kind have allowed us to expand our community outreach work at very little cost to the charity. For each of the Jewish festivals during lockdown, we marketed an activity pack for children to keep busy. The packs contained age appropriate activities to keep children entertained during the festivals. Each pack purchased provided a self care package for a member of hospital staff self-isolating due to Covid-19. The support from UK donors in funding the Covid-19 Care Packs has been greatly received by everyone at Shaare Zedek. The packs proved very popular and cost effective for us to sell and raised £1,637 in 2020 and we expect to raise more from this initiative in 2021.

Objective 2: Payments to hospital

During the year the Charity remitted £4,244,962 (£1,265,056) directly to the Shaare Zedek Medical Centre and incurred additional staff, support and governance costs amounting to £67,319 (2019: £91,597) in relation to the charitable activity.

This is a huge achievement for our professional team. With a small staff all working from home during lockdown, we faced many challenges ranging from school closures and no childcare for half the team to one member of staff being hospitalised from Covid-19, and suffering a bereavement due to the virus. Despite the significant challenges every staff member faced during this period, the charity raised its highest total in over a decade. At various times in the pandemic we made use of the Government Coronavirus Job Retention Scheme ('furlough'). One member of staff was furloughed from the beginning of the scheme and others made use of the scheme when it became a flexible arrangement.

Objective 3: Improving our operations and strategic planning

The organisational strategy continues to be implemented with a focus on key areas for organisational growth and fundraising opportunities based on our organisational strengths, key areas for improvement and new opportunities. All areas of activity are subject to regular evaluation and analysis. The global pandemic had an unforeseen impact on our operations in 2020. As such we are in the process of regularly reviewing strategic planning and income forecasts in light of the ever changing landscape.

We continue to develop contacts with other potential Members and a new committee of lay leaders is in the process of being recruited as part of succession planning by our trustees. Nigel Sloam joined our board as a new trustee in August 2020.

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Supplier costs are regularly reviewed resulting in savings from renegotiating supplier contracts. As our communications materials continue to increase donor engagement, it is our intention to create sponsorship opportunities to meet these costs in order to keep administrative expenses as low as possible.

The CRM system used to manage donor records is regularly updated to comply with the GDPR legislative guidance to ensure we are fully compliant with the legislation. We continually update our donor records in advance of our appeals to ensure donors are contacted only when they wish to be, keeping good faith with our supporters and saving the charity unnecessary expenditure on producing and mailing appeals. We are registered with the Fundraising Regulator and the Fundraising Preference Service and to date have never received any complaints through either body.

Financial review

The current economic climate continues to impact on our ability to raise new funds. Given the tough climate we were delighted to have increased our income this year, having raised £4,492,953 (2019: £1,664,005). We have maintained a healthy financial position with closing fund balances totalling £849,484 (2019: £889,024), of which £42,728 (2019: £37,788) relates to restricted funds. Furthermore, £93,018 (2019: £16,224) within the closing unrestricted fund balance is designated for specific purposes. Hence, the general unrestricted funds the charity holds amounts to £671,273 (2019: £792,171) at the end of the reporting period after making allowance for restricted and designated funds. We are delighted to have raised significant funds enabling us to send £4,244,962 (2019: £1,265,056) directly to Shaare Zedek in Jerusalem. This year we were in a position to send 94% of our total income directly to the hospital, the balance being held in reserves in the UK.

Legacy gifts continue to be a vital source of income, with 23% of all donations this year being from legacy gifts in donors' wills and one large gift of £800,000. Legacies are unpredictable, at times materialising without our prior knowledge and we continue to maintain and develop this income whilst recognising the need for a diversification of income from other sources to maintain the level of support we currently provide to the hospital.

General donations including major gifts increased significantly to £3,477,771 (2019: £1,088,813). Although we continue to enjoy the support of our loyal donors, the economic situation continues to be challenging. In common with other charities, we continue to find ways to engage new donors in a challenging climate. Existing donors too are lowering their donations due to reduced income to their Trusts or change in personal circumstances due to the pandemic.

Reserves policy and going concern

It is the policy of the Charity to maintain unrestricted funds, which are the free reserve of the Charity, at a level that takes account of the needs of the likely administration costs of the Charity over the next 24 month period. The Board has the power to invest in such assets in secure money market instruments.

Risk management

The Board has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity and is satisfied that systems are in place to mitigate its exposure to those risks.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for the future

With a new Director General now in post at Shaare Zedek, our Executive Director and trustees are in discussions with the hospital regarding their plans and priorities for the future. We are supporting the Emergency Room and Radiotherapy Institute capital building projects in addition to the annual requests received from the hospital to upgrade existing equipment and facilities and purchase the latest new technology.

2020 has been an unprecedented year for the charity in the UK and hospital in Jerusalem. We hope to return to our regular programme of events and activities and use our ability to connect donors to our medical professionals through online events further. There is an acute need to obtain mid-level and major gifts on an annual basis or preferably a multi-year pledge basis. Efforts to increase major gift fundraising were planned to focus on applications to trusts and foundations, alongside our renewed efforts to engage new and existing mid-level donors. As a result of the Covid-19 pandemic, fundraising has largely been focused on supporting the efforts of the hospital to fight the pandemic. We launched an Emergency Appeal in April 2020 and the hospital is continuing its efforts to fight Coronavirus in its clinical work and research whilst forging ahead with plans for development and growth.

Our professional team have worked exceptionally hard in difficult circumstances to ensure our levels of activity and donor engagement could support the emergency campaign. Our financial forecast for the year has been impacted by the pandemic but we managed to finish 2020 with a higher level of restricted funds than anticipated. We do expect that unrestricted income from the non-emergency appeals will be lower as a result of the success of the Emergency Campaign for the Coronavirus Unit.

From internal research, the Shaare Zedek UK message is very strong with existing donors. We need to expand awareness of the hospital amongst the Jewish community and wider society to ensure that we can engage with future generations of supporters. The core brand message has informed new approaches to marketing, events and other activities that work towards this aim. Engaging new major donors will be a greater challenge in the current climate but we are working on creative ways to use the international resonance of a front-line hospital fighting a global pandemic to engage new supporters at all levels.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 14 December 2010 and registered as a charity on 8 August 2011. The charity's reference and administrative details are as set out within these accounts. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Board of Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr Michael Sorkin
Mr Anthony Rosenfelder
Mr Alain Stechler
Mr Martin Paisner
Mr Michael Sandler
Mr Nigel Sloam

(Appointed 6 August 2020)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute such sum (not exceeding £10) in the event of a winding up.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Key personnel

The following individuals whilst not statutory members of the charity were involved in an advisory capacity:

Dan Adler
David Bernstein
David Cohen
Geoffrey Goldkorn
Eva Greenspan
John Jay
Margot Lew
Angela Margolis-Raz
Marcus Margulies
Hilary Natoff
Jonathan Paull
Marcus Pearl
Margaret G Rothem
Simon Sackman
Nolan Wengrowe
Michael Ziff
Emma Pearl

Recruitment, appointment and terms of office of Trustees

Trustees are appointed in accordance with the Charity's Memorandum & Article of Association.

Trustee induction and training

New trustees are made aware of the organisation structure of the charity and are shown financial statements of the charity for the three preceding years.

All trustees are now already familiar with the practical work of the charity. Induction procedures are in place for new trustees.

Operations and staffing

The trustees delegate day to day management of the charity to the Executive Director, Simona Bennett to deliver the aims and objectives of the charity.

Safeguarding

Shaare Zedek UK has a safeguarding policy and this year the Executive Director completed safeguarding training. The charity makes regular enquiries of the hospital with regard to its own robust safeguarding policies and notification of any relevant safeguarding issues we should be aware of.

Related parties

Included within other creditors is an amount of £83 (2019: £1,657 due from) due to Sharzed Advertising Limited, a 100% owned subsidiary.

Aggregate donations received from related parties without conditions amounted to £265,925 (2019: £190,471) for the year.

Aggregate remuneration of key management personnel amounted to £72,600 (2019: £78,000) for the year.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor

A resolution proposing that RDP Newmans LLP be reappointed as auditors will be put to the members.

Disclosure of information to auditor

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

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr Michael Sorkin

Trustee

Dated: 24 September 2021

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also the directors of Shaare Zedek UK for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF SHAARE ZEDEK UK

Opinion

We have audited the financial statements of Shaare Zedek UK (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHAARE ZEDEK UK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report [or the strategic report] included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which charities (Accounts and Reports) Regulations 2008 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHAARE ZEDEK UK

The extent to which the audit was considered capable of detecting irregularities including fraud

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were, General Data Protection Regulation (GDPR), and employment legislation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF SHAARE ZEDEK UK**

RDP Newmans LLP

24 September 2021

**Chartered Accountants
Statutory Auditor**

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

RDP Newmans LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>						
Donations and legacies	3	1,222,151	3,270,090	-	4,492,241	1,663,325
Other trading activities	4	712	-	-	712	680
Investments	5	7,322	-	-	7,322	12,373
Other	6	9,682	-	-	9,682	-
Total income		1,239,867	3,270,090	-	4,509,957	1,676,378
<u>Expenditure on:</u>						
Costs of raising funds	7	219,394	-	-	219,394	245,063
<u>Charitable activities</u>						
Payments to hospital	8	1,046,755	3,265,150	376	4,312,281	1,356,653
Total charitable expenditure		1,046,755	3,265,150	376	4,312,281	1,356,653
Other	13	17,698	-	-	17,698	11,811
Total resources expended		1,283,847	3,265,150	376	4,549,373	1,613,527
Net gains/(losses) on investments	14	(124)	-	-	(124)	73
Net movement in funds		(44,104)	4,940	(376)	(39,540)	62,924
Fund balances at 1 January 2020		808,395	37,788	42,841	889,024	826,100
Fund balances at 31 December 2020		764,291	42,728	42,465	849,484	889,024

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	All income funds	
	2020	2019
	£	£
Gross income	4,509,957	1,676,378
(Losses)/gains on investments	(124)	73
	<hr/>	<hr/>
Total income in the reporting period	4,509,833	1,676,451
	<hr/>	<hr/>
Total expenditure from income funds	4,549,373	1,613,527
	<hr/>	<hr/>
Net (expenditure)/income for the year	(39,540)	62,924
	<hr/>	<hr/>

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	15		15,977		18,086
Investments	16		399		523
			<u>16,376</u>		<u>18,609</u>
Current assets					
Debtors	18	86,181		62,043	
Cash at bank and in hand		772,103		832,362	
		<u>858,284</u>		<u>894,405</u>	
Creditors: amounts falling due within one year	19	(25,176)		(23,990)	
Net current assets			833,108		870,415
Total assets less current liabilities			<u>849,484</u>		<u>889,024</u>
Capital funds					
Endowment funds - general	21		42,465		42,841
Income funds					
Restricted funds	20		42,728		37,788
<u>Unrestricted funds</u>					
Designated funds	22	93,018		16,224	
General unrestricted funds	22	671,273		792,171	
		<u>764,291</u>		<u>808,395</u>	
			<u>849,484</u>		<u>889,024</u>

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 September 2021

Mr Michael Sorkin
Trustee

Mr Alain Stechler
Trustee

Company Registration No. 07469168

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(64,528)		5,395
Investing activities					
Purchase of tangible fixed assets		(3,053)		-	
Investment income received		7,322		12,371	
Net cash generated from investing activities			4,269		12,371
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(60,259)		17,766
Cash and cash equivalents at beginning of year			832,362		814,596
Cash and cash equivalents at end of year			772,103		832,362

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Shaare Zedek UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Technology Park, Colindeep Lane, London, NW9 6BX.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income or gift aid donations is recognised at the time the relevant income is receivable.

Legacy income is included in the Statement of Financial Activities when the Charity's entitlement has been established with a sufficient level of certainty, normally on receipt of the legacy or a letter confirming that it will be sent.

Grants received are accounted for as receivable as and when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from charitable activities includes income received under contract.

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Trading income is recognised as and when monies are received and stated after trade discounts .

Trading income related to events is recognised in the year the events took place.

The charity is not registered for VAT so all income shown in the SOFA and notes to the accounts are shown gross (i.e. inclusive of VAT).

1.5 Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include both the direct and support costs relating to these activities.

Governance costs include the cost of any legal advice to trustees on governance or constitutional matters, external accountancy and audit costs.

Support costs include central functions and have been allocated to the different categories of activities based on the time spent on each activity.

The charity is not registered for VAT so all expenses shown in the SOFA and notes to the accounts are shown gross (i.e. inclusive of VAT).

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

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

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.14 Group accounts

The financial statements present information about the charity as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

1.15 Volunteers

A substantial contribution to the activities of Shaare Zedek UK is supplied in the form of voluntary services for raising funds. The financial benefit of these non-cash donations have not been recognised in these accounts as by their nature it would be impractical to quantify in monetary terms.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the view of the Trustees, there are no significant accounting estimates and judgements applied.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	253,181	3,224,590	3,477,771	253,706	835,107	1,088,813
Legacies receivable	968,970	45,500	1,014,470	182,190	392,322	574,512
	<u>1,222,151</u>	<u>3,270,090</u>	<u>4,492,241</u>	<u>435,896</u>	<u>1,227,429</u>	<u>1,663,325</u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Non-charitable trading income	<u>712</u>	<u>680</u>

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	7,322	12,373
	<u> </u>	<u> </u>

6 Other

	Unrestricted funds	Total
	2020	2019
	£	£
Coronavirus Job Retention Scheme grant	9,682	-
	<u> </u>	<u> </u>

7 Costs of raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Costs of generating donations and legacies</u>		
Advertising	38,922	35,498
Other fundraising costs	4,551	17,186
Staff costs	146,194	147,893
Depreciation and impairment	1,404	1,237
Support costs	27,990	42,891
	<u> </u>	<u> </u>
Costs of generating donations and legacies	219,061	244,705
	<u> </u>	<u> </u>
<u>Fundraising trading: costs of goods sold</u>		
Other trading activities	304	279
Staff costs	24	60
Depreciation and impairment	-	1
Support costs	5	18
	<u> </u>	<u> </u>
Fundraising trading: costs of goods sold	333	358
	<u> </u>	<u> </u>
	<u>219,394</u>	<u>245,063</u>
	<u> </u>	<u> </u>

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Payments to hospital 2020 £	Payments to hospital 2019 £
Staff costs	18,961	27,398
Depreciation and impairment	1,404	1,237
Payments to hospital	4,244,962	1,265,056
	<u>4,265,327</u>	<u>1,293,691</u>
Share of support costs (see note 9)	33,518	48,460
Share of governance costs (see note 9)	13,436	14,502
	<u>4,312,281</u>	<u>1,356,653</u>
Analysis by fund		
Unrestricted funds	1,046,755	137,411
Restricted funds	3,265,150	1,211,896
Endowment funds - general	376	7,346
	<u>4,312,281</u>	<u>1,356,653</u>

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	32,397	13,436	45,833	34,556	14,502	49,058
Premises costs	26,837	-	26,837	22,423	-	22,423
Other costs	2,279	-	2,279	34,390	-	34,390
	<u>61,513</u>	<u>13,436</u>	<u>74,949</u>	<u>91,369</u>	<u>14,502</u>	<u>105,871</u>
Analysed between						
Fundraising	27,990	-	27,990	42,891	-	42,891
Trading	5	-	5	18	-	18
Charitable activities	33,518	13,436	46,954	48,460	14,502	62,962
	<u>61,513</u>	<u>13,436</u>	<u>74,949</u>	<u>91,369</u>	<u>14,502</u>	<u>105,871</u>

Support costs excluding staff costs which cannot be directly attributed have been apportioned equally between costs of raising funds and the charitable activity of payments to the hospital. Within support costs, other costs include telephone costs, postage costs, travel costs, computer running costs and staff training costs.

Staff costs have been apportioned on an estimated basis of the allocation of time spent on each specific activity.

10 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020	2019
	£	£
Audit of the annual accounts	<u>15,230</u>	<u>10,000</u>
Non-audit services		
All other non-audit services	<u>1,189</u>	<u>1,309</u>

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, nor were reimbursed travelling expenses.

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Administration	1	1
Fundraising	3	3
Finance	1	1
	<hr/>	<hr/>
Total	5	5
	<hr/> <hr/>	<hr/> <hr/>

Employment costs	2020	2019
	£	£
Wages and salaries	191,462	195,926
Social security costs	14,940	16,765
Other pension costs	4,610	4,372
	<hr/>	<hr/>
	211,012	217,064
	<hr/> <hr/>	<hr/> <hr/>

Included in the wages and salaries costs is an amount of £Nil (2019: £Nil) related to redundancy costs for the year.

The number of employees whose annual remuneration was £60,000 or more were:

	2020	2019
	Number	Number
Between £70,000 - £79,999	1	1
	<hr/> <hr/>	<hr/> <hr/>

13 Other

	Unrestricted funds	Unrestricted funds
	2020	2019
Net loss on disposal of tangible fixed assets	2,354	202
Audit fees	15,230	10,420
Legal and professional fees	114	1,189
	<hr/>	<hr/>
	17,698	11,811
	<hr/> <hr/>	<hr/> <hr/>

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

14 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	(124)	73
	<u> </u>	<u> </u>

15 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2020	16,448	36,807	53,255
Additions	3,053	-	3,053
Disposals	(13,030)	(12,157)	(25,187)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	6,471	24,650	31,121
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 January 2020	15,928	19,241	35,169
Depreciation charged in the year	1,286	1,522	2,808
Eliminated in respect of disposals	(13,030)	(9,803)	(22,833)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	4,184	10,960	15,144
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2020	2,287	13,690	15,977
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	520	17,566	18,086
	<u> </u>	<u> </u>	<u> </u>

16 Fixed asset investments

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

16 Fixed asset investments

(Continued)

	Listed investments £	Other investments	Total £
Cost or valuation			
At 1 January 2020	423	100	523
Valuation changes	(124)	-	(124)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	299	100	399
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2020	299	100	399
	<hr/>	<hr/>	<hr/>
At 31 December 2019	423	100	523
	<hr/>	<hr/>	<hr/>

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	25	100	100
		<hr/>	<hr/>

17 Financial instruments

**2020
£** **2019
£**

Carrying amount of financial assets

Instruments measured at fair value through profit or loss	299	423
	<hr/>	<hr/>

18 Debtors

**2020
£** **2019
£**

Amounts falling due within one year:

Amounts owed by subsidiary undertakings	-	1,657
Other debtors	8,361	6,292
Prepayments and accrued income	77,820	54,094
	<hr/>	<hr/>
	86,181	62,043
	<hr/>	<hr/>

SHAARE ZEDEK UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

19 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	5,313	4,990
Trade creditors	5,310	8,247
Amounts owed to subsidiary undertakings	83	-
Other creditors	751	753
Accruals and deferred income	13,719	10,000
	<u>25,176</u>	<u>23,990</u>
	<u><u>25,176</u></u>	<u><u>23,990</u></u>

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£	£
Bikur Cholim Campus	10	17,364	(9,889)	7,485	680	(7,500)	665
Children's Hospital	2,100	21,125	(19,881)	3,344	11,581	(7,334)	7,591
Emergency Department	452	221,227	(219,937)	1,742	374,199	(374,199)	1,742
Neurosurgery and Neurology Department	530	52,014	(51,906)	638	50,000	(50,000)	638
Others	14,052	67,968	(62,915)	19,105	13,307	(6,708)	25,704
Neonatal Intensive Care Unit	5,111	81,847	(81,635)	5,323	66,893	(66,552)	5,664
Nursing Scholarships	-	84,738	(84,738)	-	77,439	(77,439)	-
Obstetric Department	-	156,765	(156,765)	-	153,974	(153,974)	-
Radiotherapy Institute	-	220,000	(220,000)	-	181,233	(181,233)	-
Intensive Care Department	-	304,381	(304,230)	151	35,250	(35,200)	201
Robotic Surgery	-	-	-	-	1,223,581	(1,223,581)	-
Cardiology Department	-	-	-	-	3,420	(3,420)	-
Coronavirus Department	-	-	-	-	1,078,533	(1,078,010)	523
	<u>22,255</u>	<u>1,227,429</u>	<u>(1,211,896)</u>	<u>37,788</u>	<u>3,270,090</u>	<u>(3,265,150)</u>	<u>42,728</u>

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

(Continued)

Bikur Cholim Campus is a separate campus hospital that merged with Shaare Zedek Medical Centre in Jerusalem. The fund is dedicated to fund the general running of the hospital.

Children's Hospital was set up as a separate fund to support a new building designed specifically for Children. The work on this site began in 2008 and the Children's Hospital officially opened in August 2015. The fund is dedicated to provide equipment and general running costs for the department.

The Emergency Department was set up to develop and extend the existing size of the old department. The fund is dedicated to provide general running costs for the department.

The Neurosurgery and Neurology Department at the Shaare Zedek Medical Center treats a wide range of diseases involving the nervous system, with the aim of preserving and restoring brain and spine function and has a designated operating theater which includes a new navigating system, intra-operation ultrasound and an innovative robot enabling procedures such as tumor tissue biopsy with great precision. The fund is dedicated to provide equipment and general running costs for the department.

Included within Others are various smaller funds which relate to various activities including CT Scanner, various pieces of equipment, Haematology Department, pending allocation, Geriatrics Department, Cardiology Department and LDA Educational Institute.

The Neonatal Intensive Care Unit (NICU) at the Shaare Zedek Medical Center treats infants born from week 24 of pregnancy. The complex includes 70 beds (with another 20 at the Bikur Cholim Campus), and state-of-the-art respiratory and monitoring equipment which provides precise data 24/7 on each of the babies in the unit. The fund is dedicated to provide equipment and general running costs for the department.

The Nursing Scholarships Fund is dedicated to provide support and training for student nurses.

The Obstetric Department includes the delivery rooms, the maternity wards, the High-Risk Pregnancy Unit and the Obstetric Ultrasound Unit. The fund is dedicated to provide equipment and general running costs for the department.

The Radiotherapy Institute is currently being built and is due for completion in 2022. The fund is dedicated to provide a Linear Accelerator for the Radiotherapy Institute.

Our Intensive Care Unit treats the most severe urgent care cases in the hospital. 70% of cases are post-surgery while others are complex cases referred from the Internal Medicine Departments.

Our state of the art new ICU was upgraded in 2017 the first major upgrade and renovation of this Unit since the hospital moved to its current location in 1979. The Unit is now equipped with the latest technology and care methods in the most advanced setting possible. The risk of infection is a top priority for intensive care patients. The redesigned ICU gives each patient their own largely self-sufficient room to minimise the spread of infection. Almost all of the equipment is wall or ceiling mounted, meaning the room can be kept to a higher standard of cleanliness. There are 14 patient rooms in total, almost all of which are in constant use.

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

(Continued)

Robotic surgery is a field which has developed in recent years, increasingly becoming a standard and indispensable approach to care in a variety of surgical disciplines. It allows extremely fine and complex movements in a tight space, without the need to open large cavities that can involve more complications and a longer, more painful recovery period. Appreciating that this represents the future of modern surgery, we are proud that Shaare Zedek Medical Centre, which currently sees around 35,000 surgical procedures performed each year, has been a local pioneer in introducing advanced robotic approaches to the Israeli medical community.

The Cardiology Department provides a comprehensive response to the gamut of cardiac and cellular diseases. Our team performs catheterization, installs stents in the coronary arteries and implants pacemakers, defibrillators and valves without open heart surgery. There is also a state-of-the-art Cardiac Imaging Institute which uses 3-D Echo, CT and MRI. We can also administer advanced treatment for congenital and structural disorders. The department stresses preventative care and accompanies patients throughout the post-heart attack rehabilitation process.

The Coronavirus Department was set up in the wake of the global Covid-19 pandemic to treat Covid-19 positive patients safely in isolation.

The trustees are satisfied that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

21 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Rayne Endowment Fund	50,187	-	(7,346)	-	-	42,841	-	(376)	-	-	42,465
	<u>50,187</u>	<u>-</u>	<u>(7,346)</u>	<u>-</u>	<u>-</u>	<u>42,841</u>	<u>-</u>	<u>(376)</u>	<u>-</u>	<u>-</u>	<u>42,465</u>
	<u>50,187</u>	<u>-</u>	<u>(7,346)</u>	<u>-</u>	<u>-</u>	<u>42,841</u>	<u>-</u>	<u>(376)</u>	<u>-</u>	<u>-</u>	<u>42,465</u>

The Rayne Endowment Fund was donated by Lord Rayne to fund an international urology conference held at Shaare Zedek Medical Centre.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

22 Unrestricted funds

The income funds of the charity include unrestricted funds, within which designated funds have been set aside by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
Designated - Neo-Natal Department	16,224	-	-	16,224	-	-	16,224
Designated - Pending Allocation	-	-	-	-	76,794	-	76,794
Designated - Coronavirus Department	-	-	-	-	802,000	(802,000)	-
General Unrestricted Fund	737,434	448,951	(394,214)	792,171	361,073	(481,971)	671,273
	<u>753,658</u>	<u>448,951</u>	<u>(394,214)</u>	<u>808,395</u>	<u>1,239,867</u>	<u>(1,283,971)</u>	<u>764,291</u>

The Neo-Natal Department Fund has been set up to allow the legacy of one of our donors to contribute to the work they had supported throughout their life.

The Pending Allocation Fund relates to a single donation which is yet to be remitted to the Shaare Zedek Medical Centre, as the trustees have not yet confirmed what the donation should be used for.

The Coronavirus Fund was set up in the wake of the global Covid-19 pandemic to treat Covid-19 positive patients safely in isolation.

The General Unrestricted Fund relates to "free reserves" after allowing for all designated funds.

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:										
Tangible assets	15,977	-	-	-	15,977	18,086	-	-	-	18,086
Investments	399	-	-	-	399	523	-	-	-	523
Current assets/(liabilities)	654,897	93,018	42,728	42,465	833,108	773,562	16,224	37,788	42,841	870,415
	<u>671,273</u>	<u>93,018</u>	<u>42,728</u>	<u>42,465</u>	<u>849,484</u>	<u>792,171</u>	<u>16,224</u>	<u>37,788</u>	<u>42,841</u>	<u>889,024</u>

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	72,600	78,000
	<u>72,600</u>	<u>78,000</u>

Transactions with related parties

Included within other creditors is an amount of £83 (2019: £1,657 due from) due to Sharzed Advertising Limited, a 100% owned subsidiary.

Aggregate donations received from related parties without conditions amounted to £265,925 (2019: £190,471) for the year.

25 Subsidiaries

The financial statements below are separate from the charity's financial statements.

Details of the charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Sharzed Advertising Limited	England and Wales	Advertising	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Sharzed Advertising Limited	(321)	7

The principal activity of the subsidiary undertaking during the year was that of advertising and promoting fund raising for Shaare Zedek UK.

SHAARE ZEDEK UK
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

26	Cash generated from operations	2020	2019
		£	£
	(Deficit)/surplus for the year	(39,540)	62,924
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,322)	(12,373)
	Loss on disposal of tangible fixed assets	2,354	202
	Fair value gains and losses on investments	124	(73)
	Depreciation and impairment of tangible fixed assets	2,808	2,475
	Movements in working capital:		
	(Increase) in debtors	(24,138)	(33,674)
	Increase/(decrease) in creditors	1,186	(14,086)
	Cash (absorbed by)/generated from operations	(64,528)	5,395
		<u><u> </u></u>	<u><u> </u></u>
27	Analysis of changes in net funds		
	The charity had no debt during the year.		