

CHARITY REGISTRATION NUMBER: 1202568

Friends of the Holy Land
Financial Statements
31 March 2024

BSN ASSOCIATES LIMITED

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

Friends of the Holy Land

Trustees' Annual Report

Period from 1 May 2023 to 31 March 2024

The trustees present their report and the financial statements of the charity for the Period ended 31 March 2024.

Reference and administrative details

Registered charity name Friends of the Holy Land

Charity registration number 1202568

Principal office Farmer Ward Road
Kenilworth
Warwickshire
CV8 2DH

The trustees

Rt Rev William Kenney	(Appointed 18 Apr 24)
Liam Allmark	
Gail Brown	
Rt Rev James Curry	
Rev Canon David Longe	
Susan Oliver	
Charles Reed	
David Ryall	
Michael Swinburne	
Peter Rand	(Retired 29 Jun 23)
Anthony Stokes	(Retired 29 Jun 23)
James Quinn	(Retired 18 Apr 24)

Patrons

His Eminence Cardinal Vincent Nichols, Archbishop of Westminster
The Right Reverend Christopher Chessun, Bishop of Southwark
The Right Reverend Doctor Michael Langrish, retired Bishop of Exeter
The Most Reverend Bernard Longley, Archbishop of Birmingham
The Most Reverend Malcolm McMahon, Archbishop of Liverpool
The Right Reverend and Right Honourable Lord Williams of Oystermouth

Auditor

BSN Associates Limited
Chartered accountants & statutory auditor
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Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

Structure, governance and management

Creation, Constitution and Governing Document

The charity was created by a deed of trust dated 26th January 2023 and registered as a Charitable Incorporate Organisation (CIO) with the Charity Commission of England & Wales on 30th March 2023, with registered charity number 1202568.

This new Charity was created in order to take over the work of an existing Charity, also called Friends of the Holy Land, registered number 1130054, (which had been established in 2009), using the legal structure of a CIO, which the Trustees considered to be a more appropriate form of organisation within which to conduct its activities. On application by the new Charity, the Charity Commission granted an order on 19 April 2023 authorising the transfer of the assets and liabilities from the old to the new Charity and authorising the granting of an indemnity from the CIO to the Trustees of the old Charity.

This transfer of assets and liabilities took place on 1st May 2023. The old Charity produced its last accounts for the 13-month period to 30th April 2023. It then ceased its activities, and the CIO took over all activity previously conducted by the old Charity on 1st May 2023. The Trustees of the CIO, at the time of its creation, were the same individuals who at the time were serving as Trustees of the old Charity.

The CIO has the same objectives as the old Charity, namely:

- 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 artefacts 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

Day to day running of the Charity is conducted by a Management Committee consisting of the Chief Executive Brendan Metcalfe, supported by Michael Swinburne, who is a Trustee and the Honorary Treasurer, and by Jen Hill, the Office Manager.

Holy Land Committee

With the approval of the Trustees the Management Committee has appointed a local Committee in Bethlehem. Its members are:

Revd Dr Fadi Diab (Chairman)

Father Fadi is the Rector of St Andrew's Episcopal Church, Ramallah and St Peter's Birzeit. He is Diocesan Secretary of the Episcopal Diocese of Jerusalem.

Mrs Laila Asfoura

Laila is a founder member of the FHL Holy Land Committee. She serves as a Director of St Martha's House, one of the major projects funded by the Charity.

Rt Rev Jamal Khader Daibes

Bishop Jamal is a Bishop of the Latin Patriarchate. Formerly the Patriarchal Vicar for Jordan, he has recently been appointed Head of the Dioceses of Djibouti and Somalia.

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

Mr George Sa'adeh

George is Principal of the Shepherds Greek Orthodox High School in Beit Sahour and a former Deputy Mayor of Bethlehem.

Mr Husam Wahhab

Husam is a Certified Public Accountant in Palestine and the USA, and a board member of the Palestine Association of Certified Public Accountants.

Fr Rami Asakrieh OFM

Fr Rami is a Franciscan Brother, the parish priest of the Latin Church of St Catherine in Bethlehem.

The purpose of this Committee is to help manage the activities of FHL in the Holy Land, 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 within the West Bank and Gaza. The Committee was 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 by the Charity to Christians in Israel and Jordan is made direct from the UK or through other local institutions.

The members of the Committee are all volunteers. A small office has been made available and two part-time members of staff have been employed to carry out the day-to-day administration, identification of beneficiaries and recording of the Charity's activities in the Holy Land.

The Chief Executive of the charity is closely involved with the Local Committee, often attending their meetings by zoom, and supporting their development and effectiveness.

Review and Strategic Plan

In April 2022 the Trustees of the original Charity formally approved an updated Strategic Framework and Plan for the next five years. The CIO has adopted this five-year plan. Progress against the Plan is monitored by Trustees at their quarterly meetings, and the Plan is used to help direct and prioritise the work of the Management Committee.

Recruitment, Appointment and Training of Trustees

Changes to Trustees are noted on the first page of the report and biographical details of Trustees are available on the Charity's website.

A standing sub-committee of two trustees plus the Chief Executive is tasked with identifying and interviewing prospective new trustees, with a view to maintaining an effective board of trustees and managing the retirement of existing trustees.

On appointment all new Trustees are issued with a "Trustee Information Pack" containing, amongst other things, copies of the Trust Deed, the latest Financial Reports and the Trust's policy documents.

Governance and Internal Controls

The Trustees at their quarterly meetings have a clear focus on the correct governance of the Charity. This includes the approval of the Charity's policy documents and monitoring compliance therewith and receiving written reports from the Chief Executive and the Treasurer. The Charity operates under an approved set of Standing Orders and a written Delegation of Powers. Since the year end, the Trustees have constituted a Finance & Administration Sub-Committee, consisting of the Treasurer and three other Trustees, with responsibility for supporting the Management Committee in those areas, and also for determining the remuneration of the Chief Executive.

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

Objectives and activities

The prime objective of FHL is to support the Christian people of all denominations in the area of West Bank and Gaza, 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.

Raising Awareness

We have continued to communicate with our supporters with newsletters and appeals during the year. We are expanding our social media communications and issue regular virtual newsletters to our supporters via email. We are also working to extend our reach into other Christian communities across the UK.

Encouraging Prayer

At the heart of our encouragement to prayer are the monthly reflections that are posted to our website. The wide range of contributors shows the breadth of our support and hopefully will inspire readers to maintain their prayerful support for our activities and the communities we aim to help. We have developed our prayer resources responding to the conflict in Gaza with a dedicated area of our website for this purpose. This call to prayer is echoed in our regular communications with supporters.

Generating Funds

Funds are generated from a wide variety of sources. Underpinning our income are monthly standing orders from a group of over 300 of our most loyal supporters. We have an active programme of pulpit appeals with a growing number of supporters who are prepared to stand up in their local churches and advocate on behalf of the Charity. We are grateful to the many Bishops who recommend FHL to their parishes as a destination for Christmas crib offerings. We subscribe to the Free Wills Network and hope that over time legacies will become an increasing source of income for the Charity.

Following the outbreak of hostilities in the Gaza strip we appealed directly to Christian churches across the UK, highlighting that through our contacts in Palestine we could channel funds directly to the three main Christian institutions in Gaza. These are St Porphyrius Orthodox Church and the Holy Family Catholic Church, where many Christian families took refuge, and continue to shelter and also the al-Ahli Anglican Hospital. Our emergency appeal attracted significant donations from Catholic and Anglican dioceses across the UK, as well as many hundreds of individual donations. In total, within a relatively short space of time, we raised over £120,000.

Our Christmas appeal, against the backdrop of the war in Gaza raised over £220,000 and the Lenten appeal raised over £140,000, before the end of the current financial period.

Over the years we have benefitted from grants from a number of charitable trusts, and in a move to expand this source of income, we started in April 2023 to work with an agency to help identify potential grant-giving trusts and to submit suitable applications. During the period we received grants from trusts and foundations totalling £77,800 thanks to this initiative.

Following the success of the concert by the London Welsh Male Voice Choir held at Westminster Cathedral in February 2023, we held a similar event at Our Lady of Victories in Kensington in December 2023. Once again this achieved the dual objectives of raising funds for the Charity and spreading awareness of its work.

Encouraging Pilgrimages

After the joy of seeing the return of pilgrimages to the Holy Land after the pandemic restrictions, the outbreak of war brought once again an abrupt end to this activity. The FHL pilgrimage organised jointly with the Catenian Association for February 2024 was regrettably postponed. The absence of pilgrims severely impacts those Christian communities that work in the various aspects of the tourism sector. We have three aims in this area: to encourage pilgrimages to the Holy Land; to facilitate visits by groups of pilgrims to projects funded by FHL; and to provide a destination for financial offerings for those who returning from pilgrimage wish to alleviate the plight of Christians in the Holy Land.

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

Achievements and performance

The Charity funds a range of ongoing and ad hoc activities across the Holy Land. Grants paid in the period amounted to £671,751 and are set out below:

Emergency Response to Gaza

£144,879 to help relieve the situation in Gaza. We provided assistance to the communities sheltering at the Latin Church of the Holy Family and the Greek Orthodox Church of St Porphyrius as well as the Al-Ahli Hospital run by the Diocese of Jerusalem

Medical and Ad-Hoc Support

£121,173 for our monthly ad-hoc and medical requests. Our budget started the year at £6,000 per month but was swiftly doubled after the onset of the war. This covers urgent medical cases and medications, funding a wide range of treatments from operations, investigations and tests through to asthma medication or buying dentures. We also help people with utility debts and rent arrears.

Family Support

£119,182 for vulnerable families and elderly people who have been identified as needing regular income who have no other way of supporting themselves.

School of Joy

£72,626 to run the school with nine teachers and to provide support to families including transport to and from school. The School of Joy at Beit Sahour, just outside Bethlehem, is almost wholly supported by funds from FHL. The school offers children with educational, emotional or behavioural difficulties a chance to fulfil their potential in a safe and supportive environment. We were able to increase support from 60 to 78 children.

Education and Training

£68,659 to provide education for young people. We provided grants for over 200 children to attend Christian schools, university fees to train four young people in nursing at Bethlehem University, ten vocational scholarships at the Bethlehem Salesian Technical College, and eight students in Hotel Management at the Episcopal Technological & Vocational Training Centre in Ramallah.

St Martha's House

£52,984 for St Martha's House, the first day care centre for elderly women in Bethlehem. The centre is attended by 30 women, the majority of whom are Christian widows living alone with no one to care for them, either because their families have emigrated, or they simply cannot afford to help. We provide our ladies with companionship, enrichment activities for a healthy mind and body, nutritional care and some healthcare services and check-ups.

Water Projects

£48,921 to replace old water tanks and solar panels with new ones which should last for 20 years. We fitted 48 tanks in homes in Bethlehem and began our water project in Zababdeh to dig six new shallow wells. Progress on this project was slower than we had hoped but is continuing into the new financial year.

Community Support

£43,325 for other community projects, including buying new sheep for the flock in Jordan to produce milk for the cheese project with Iraqi refugees; helping the Nazareth scouts with refurbishing their headquarters to make it habitable for children; and mentoring and business support for young people to help them gain employment.

Charitable Activities - Outlook for 2024-25

In addition to maintaining our long-standing commitments, we are developing new initiatives in employment support and small business creation to help develop economic independence, removing

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

reliance on tourism to bring in an income. We are increasing the number of students we support on vocational courses, investing in our young people. We continue to work on water projects, providing access to safe water storage for those who need it. We are putting more support into East Jerusalem, an area that is often overlooked. We have also increased the monthly ad-hoc grant budget to help with the growing need.

Financial review

Financial Performance

Income was derived from individual donations and legacies, charitable trusts & foundations, through local support groups, from appeals in parishes and dioceses and through specific appeals launched during the year. We also generate a small amount of income through the sale of olive wood products, crafted in Bethlehem, and through the sale of Christmas cards.

We saw an immediate and sustained increase in donations following the outbreak of hostilities in Gaza. This continued through the subsequent Christmas and Lenten appeals. As a result of the incredible generosity of our donors, the accounts for the 11 months to 31st March 2024 report income of £1,292,108, excluding the transfer of the funds from the former charity which amounted to £393,289. This is over £400,000 more than the income achieved by our predecessor charity in the 13-months to 30th April 2024.

Charitable grants distributed in the period amounted to £671,750 compared to £510,794 distributed by our predecessor charity in the 13-months to 30th April 2024. The relatively low level of distribution compared to income generated reflects the significant challenges we have been facing in the areas within which we operate. In Gaza it became progressively more and more difficult to get funds to the three institutions we had been supporting. In the West Bank, the occupying Israeli authorities instituted a very rigid lockdown, making daily life extremely challenging and slowing down programmes such as our water initiative.

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 continuity of operation for key areas of our charitable activity in circumstances where income may be temporarily reduced and to respond to any funding emergency that may arise. At the end of the current financial period we have substantial "excess" reserves which we plan to disburse over the following 12 to 24 months, subject always to the operating circumstances on the ground.

Pensions

The Charity contributes to a Defined Contribution scheme on behalf of its employees, satisfying the Charity's obligations under the Auto-Enrolment regulations.

Going Concern

Whilst the Trustees are mindful that the Charity is dependent upon income and donations from

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

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 has adopted the 'going concern' basis in preparing the financial statements.

Risk Assessment and Management

The Charity maintains a Risk Register, reviewed annually by Trustees.

The principal new risk that has arisen in the period is the impact of the war in Gaza and the restrictions imposed in the Occupied West Bank by the Israeli authorities, which whilst increasing the need for our work, make delivery of programmes and grants more challenging.

Trustees continue to be mindful of the need at all times to ensure compliance with the Proscription of Hamas by HM Government in November 2021 as it relates to the charity's activities in Gaza. Trustees believe there are no other significant risks in the management of the charity and the disbursement of funds raised.

Investment Policy

Under the Constitution of the Charity, the Trustees have powers to deposit and invest funds. In accordance with this power, the charity has opened a cash deposit account with the Epworth Cash Plus Fund for Charities, to manage surplus cash balances. The charity has no investments other than the cash balances with Epworth and the National Westminster Bank.

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.

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Friends of the Holy Land

Trustees' Annual Report *(continued)*

Period from 1 May 2023 to 31 March 2024

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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' annual report was approved on 27th January 2025 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to read 'W M Kenney', written over a horizontal line.

Rt Rev William Kenney
Trustee

Friends of the Holy Land

Independent Auditor's Report to the Members of Friends of the Holy Land

Period from 1 May 2023 to 31 March 2024

Opinion

We have audited the financial statements of Friends of the Holy Land (the 'charity') for the Period ended 31 March 2024 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Friends of the Holy Land

Independent Auditor's Report to the Members of Friends of the Holy Land (continued)

Period from 1 May 2023 to 31 March 2024

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Friends of the Holy Land

Independent Auditor's Report to the Members of Friends of the Holy Land (continued)

Period from 1 May 2023 to 31 March 2024

Auditor's responsibilities for the audit of the financial statements

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

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

We have reviewed financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations. We have audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. We have also made enquiries of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Friends of the Holy Land

Independent Auditor's Report to the Members of Friends of the Holy Land (continued)

Period from 1 May 2023 to 31 March 2024

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

P. Miller-Hawkes

Philippa Miller-Hawkes BA CA (Senior Statutory auditor)

For and on behalf of
BSN Associates Limited
Chartered Accounts & Statutory Auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

27th January 2025

Friends of the Holy Land
Statement of Financial Activities
Period from 1 May 2023 to 31 March 2024

		Period from 1 May 23 to 31 Mar 24		
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations and legacies	4	1,256,056	377,793	1,633,849
Other trading activities	5	45,444	—	45,444
Investment income	6	6,104	—	6,104
Total income		<u>1,307,604</u>	<u>377,793</u>	<u>1,685,397</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	7	26,073	—	26,073
Expenditure on charitable activities	8,9	671,569	266,427	937,996
Total expenditure		<u>697,642</u>	<u>266,427</u>	<u>964,069</u>
Net income and net movement in funds		<u>609,962</u>	<u>111,366</u>	<u>721,328</u>
Reconciliation of funds				
Total funds brought forward		—	—	—
Transfers between funds		(21,342)	21,342	—
Total funds carried forward		<u>588,620</u>	<u>132,708</u>	<u>721,328</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 16 to 23 form part of these financial statements.

Friends of the Holy Land
Statement of Financial Position
31 March 2024

	Note	£	31 Mar 24 £
Fixed assets			
Tangible fixed assets	15		1,019
Current assets			
Stocks	16	2,577	
Debtors	17	80,339	
Cash at bank and in hand		685,019	
		<u>767,935</u>	
Creditors: amounts falling due within one year	18	47,626	
Net current assets			<u>720,309</u>
Total assets less current liabilities			<u>721,328</u>
Net assets			<u>721,328</u>
Funds of the charity			
Restricted funds			132,708
Unrestricted funds			588,620
Total charity funds	20		<u>721,328</u>

These financial statements were approved by the board of trustees and authorised for issue on 27th January 2025, and are signed on behalf of the board by:


 Rt Rev William Kenney
 Trustee

Friends of the Holy Land

Statement of Cash Flows

Period from 1 May 2023 to 31 March 2024

	31 Mar 24 £
Cash flows from operating activities	
Net income	721,328
<i>Adjustments for:</i>	
Depreciation of tangible fixed assets	288
Other interest receivable and similar income	(6,104)
Accrued expenses	47,626
Net book value of assets transferred to new charity	(259)
<i>Changes in:</i>	
Stocks	(2,577)
Trade and other debtors	(80,339)
Cash generated from operations	679,963
Interest received	6,104
Net cash from operating activities	<u>686,067</u>
Cash flows from investing activities	
Purchase of tangible assets	(1,048)
Net cash used in investing activities	<u>(1,048)</u>
Net increase in cash and cash equivalents	685,019
Cash and cash equivalents at beginning of period	—
Cash and cash equivalents at end of period	<u>685,019</u>

The notes on pages 16 to 23 form part of these financial statements.

Friends of the Holy Land

Notes to the Financial Statements

Period from 1 May 2023 to 31 March 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Organisation. 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 or expenditure.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

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 FRS102:

- Disclosures in respect of financial instruments have not been presented.

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.

Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

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.

Friends of the Holy Land
Notes to the Financial Statements *(continued)*
Period from 1 May 2023 to 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are 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.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Friends of the Holy Land

Notes to the Financial Statements *(continued)*

Period from 1 May 2023 to 31 March 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

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.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Friends of the Holy Land

Notes to the Financial Statements *(continued)*

Period from 1 May 2023 to 31 March 2024

3. Accounting policies *(continued)*

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 2024 £
Donations			
Donations	1,008,182	232,378	1,240,560
Donations - transfer from unincorporated charity	247,874	145,415	393,289
	<u>1,256,056</u>	<u>377,793</u>	<u>1,633,849</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2024 £
Olive wood products	<u>45,444</u>	<u>45,444</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £
Bank interest receivable	<u>6,104</u>	<u>6,104</u>

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2024 £
Olive wood products	<u>26,073</u>	<u>26,073</u>

Friends of the Holy Land

Notes to the Financial Statements *(continued)*

Period from 1 May 2023 to 31 March 2024

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grant making	405,324	266,427	671,751
Support costs	266,245	—	266,245
	<u>671,569</u>	<u>266,427</u>	<u>937,996</u>

9. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2024 £
Grant making	<u>671,751</u>	<u>266,245</u>	<u>937,996</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2024 £
Staff costs	105,041	105,041
Communications and Fundraising	107,007	107,007
Other Costs	54,197	54,197
	<u>266,245</u>	<u>266,245</u>

11. Analysis of grants

	Period from 1 May 23 to 31 Mar 24 £
Grants	
Gaza Emergency	144,879
Medical and Ad Hoc support	121,173
Family Support	119,182
School of Joy	72,626
Education and Training	68,659
St Martha's House	52,984
Water Projects	48,921
Community support	43,325
Total grants	<u>671,751</u>

12. Net income

Net income is stated after charging/(crediting):

	31 Mar 24 £
Auditors Remuneration	6,950
Depreciation of tangible fixed assets	<u>288</u>

Friends of the Holy Land
Notes to the Financial Statements *(continued)*
Period from 1 May 2023 to 31 March 2024

13. Staff costs

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

	Period from 1 May 23 to 31 Mar 24
	£
Wages and salaries	82,839
Social security costs	6,023
Employer contributions to pension plans	16,179
	<u>105,041</u>

The average head count of employees during the Period was 4.

The number of employees whose remuneration for the year fell within the following bands, were:

	31 Mar 24 No.
£60,000 to £69,999	<u>1</u>

14. Trustee remuneration and expenses

The trustees give freely their time and expertise without any form of remuneration or other benefit. During the period, 2 trustees were reimbursed travelling expenses amounting to £438.

15. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 May 2023	5,010	5,010
Additions	1,048	1,048
At 31 March 2024	<u>6,058</u>	<u>6,058</u>
Depreciation		
At 1 May 2023	4,751	4,751
Charge for the period	288	288
At 31 March 2024	<u>5,039</u>	<u>5,039</u>
Carrying amount		
At 31 March 2024	<u>1,019</u>	<u>1,019</u>

16. Stocks

	31 Mar 24 £
Raw materials and consumables	<u>2,577</u>

Friends of the Holy Land

Notes to the Financial Statements *(continued)*

Period from 1 May 2023 to 31 March 2024

17. Debtors

	31 Mar 24
	£
Prepayments and accrued income	1,200
Other debtors	79,139
	<u>80,339</u>

18. Creditors: amounts falling due within one year

	31 Mar 24
	£
Accruals and deferred income	47,626

19. 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 £16,179.

20. Analysis of charitable funds

Unrestricted funds

	At 1 May 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	—	1,250,085	(292,319)	(414,146)	543,620
Designated Funds	—	57,519	(405,323)	392,804	45,000
	<u>—</u>	<u>1,307,604</u>	<u>(697,642)</u>	<u>(21,342)</u>	<u>588,620</u>

Restricted funds

	At 1 May 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Restricted Funds	—	377,793	(266,427)	21,342	132,708

Friends of the Holy Land
Notes to the Financial Statements *(continued)*
Period from 1 May 2023 to 31 March 2024

20. Analysis of charitable funds *(continued)*

Restricted funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balances £
Restricted funds					
transferred	—	145,415	—	(145,415)	—
Gaza Appeal	—	123,537	(144,879)	21,342	—
School of Joy	—	107,049	(72,626)	30,000	64,421
Water Appeal	—	1,792	(48,921)	115,415	68,287
Total	—	377,793	(266,426)	21,342	132,708

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 out of general funds not covered by specific donations.

Designated funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balances £
St Martha's House	—	15,421	(52,984)	52,563	15,000
Family Support	—	5,947	(119,182)	143,235	30,000
Education	—	36,151	(68,659)	32,508	—
Medical & Ad Hoc	—	—	(121,173)	121,173	—
Community Support	—	—	(43,325)	43,325	—
Total	—	57,519	(405,323)	392,804	45,000

The balances on the above designated funds represent income from unrestricted funds that has been set aside by the trustees.

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	1,019	—	1,019
Current assets	635,227	132,708	767,935
Creditors less than 1 year	(47,626)	—	(47,626)
Net assets	588,620	132,708	721,328

22. Analysis of changes in net debt

	At 1 May 2023 £	Cash flows £	At 31 Mar 2024 £
Cash at bank and in hand	—	685,019	685,019