

British Friends of the Hebrew University of Jerusalem  
 Financial Statements  
 Year Ended 30 September 2025



Charity registration number: 209691  
 Company registration number: 06350828

# BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

## FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

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# BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2025

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charity registration number | 209691                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Company registration number | 06350828                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Trustees                    | <p>Jeremy Amias<br/>Jenny Arwas MBE<br/>Alan Steven Jacobs, Chair<br/>Denise Nicole Joseph<br/>Isaac Kaye PhD, Hon. President (resigned-11/12/2025)<br/>Steven Kaye (appointed-18/03/26)<br/>Anthony Graham Page (resigned-12/12/2025)<br/>Alan Henry Philipp* (resigned-12/12/2025)<br/>Joseph Smouha KC<br/>Derek Bryan Spitz<br/>Benjamin Stowe<br/>Simon Tobelem<br/>David Mark Wernick</p> <p><i>*Hon. Treasurer</i></p> |
| Chief Executive Officer     | Nigel Salomon                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Registered office           | <p>3rd Floor, Marlborough House<br/>298 Regents Park Road<br/>London N3 2SZ</p>                                                                                                                                                                                                                                                                                                                                               |
| Independent Auditors        | <p>HaysMac LLP<br/>10 Queen Street Place<br/>London<br/>EC4R 1AG</p>                                                                                                                                                                                                                                                                                                                                                          |
| Solicitors                  | <p>CH. Hausmann &amp; Co.<br/>5 De Walden Court<br/>85 New Cavendish Street,<br/>London W1W 6XD</p>                                                                                                                                                                                                                                                                                                                           |
| Bankers                     | <p>Barclays Bank PLC<br/>28 Hampstead High Street<br/>Hampstead<br/>London<br/>NW3 1QB</p>                                                                                                                                                                                                                                                                                                                                    |
| Investment Managers         | <p>Rothschild &amp; Co Wealth Management<br/>New Court, St Swithin's Lane<br/>London EC4N 8AL</p> <p>Rathbones Investment Management<br/>30 Gresham Street<br/>London EC2V 7QN</p>                                                                                                                                                                                                                                            |

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2025

The Trustees present their report and the audited financial statements of the charity for the year ended 30 September 2025.

The financial statements have been prepared under the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) (Second Edition, effective 1 January 2019).

Trustees of the charity

The Directors of the charitable company are its Trustees for charity law. The Trustees who have served during the year and since the year-end were as follows:

Jeremy Amias (IC, G)  
Jenny Arwas MBE (RC)  
Alan Steven Jacobs, Chair (RC, FAC, IC, G)  
Denise Nicole Joseph (FAC, G)  
Isaac Kaye PhD Hon. President (RC, G), resigned-11/12/2025  
Steven Kaye, appointed-18/03/26  
Anthony Graham Page, resigned-12/12/2025  
Alan Henry Philipp, Hon. Treasurer (FAC, RC, IC, GC, G), resigned-12/12/2025  
Joseph Smouha (KC, G)  
Derek Bryan Spitz (GC, G)  
Benjamin Stowe (G)  
Simon Tobelem (FAC)  
David Mark Wernick (GC, G)

FAC = Finance, Audit & Risk Committee  
G = Hebrew University Governors  
GC = Grants Committee  
IC = Investment Committee  
RC = Remuneration Committee

### Impact Summary

In 2024/25, British Friends raised or facilitated £7.8m for the Hebrew University of Jerusalem. We funded over 300 scholarships and supported 30 postgraduate researchers directly — students working on the problems that matter most: disease, food security, environmental science and technology. For many, particularly those displaced by a second consecutive year of conflict, British Friends funding was the difference between continuing their studies and being forced to abandon them entirely.

Despite the significant challenges of operating during an ongoing conflict, we maintained our programme of events, deepened alumni engagement, and delivered a blended investment return of 5.4% — sustaining our endowment capital for future generations of students and researchers.

Shortly after the year end, a gala dinner was held in London in November 2025 to celebrate the centenary of the Hebrew University, attended by 225 guests including Professor Tamir Sheafer, President of the Hebrew University. That gathering proved to be a catalyst: in December 2025, the Trustees established the British Friends Graduate Scholarship Fund, a £1.6m commitment to support more than 200 postgraduate researchers in the exact sciences over the next decade. The Hebrew University was founded on the belief that developing the intellectual potential of its people is Israel's greatest long-term asset. This fund is a direct expression of that belief — and of a century of British friendship behind it.

### Mission and Values

The British Friends of the Hebrew University (BFHU) (the Charity) is a registered charity in England and Wales. The Charity's mission is to support the research of the Hebrew University of Jerusalem and champion academic excellence through effective fundraising, the promotion of its achievements, the support of students, the advancement of academic collaboration, and active engagement within its international network of friends and alumni. In pursuing this mission, the Trustees are guided by core values of professionalism, accountability and reliability, ensuring strong governance and financial stewardship. We are impact-driven and donor-focused in our approach, while maintaining a friendly and collaborative ethos in our engagement with supporters and partners. We operate with respect and integrity, and with a clear commitment to supporting the Hebrew University in a manner consistent with UK charity law and our charitable objects.

### Objectives and Activities

The BFHU is dedicated to advancing the goals of the Hebrew University of Jerusalem by means of the following activities:

1. fundraising in support of the academic development of the Hebrew University, including research, scholarships, and capital projects that drive academic excellence.
2. promoting awareness and standing of the Hebrew University on the local and international stage including through the facilitation of research and student exchange relationships with leading UK universities.
3. undertaking events and activities to generate awareness and, in turn, funds for the Hebrew University.
4. serving as a bridge between the Hebrew University and its UK-based supporters, leveraging understanding of the local market, cultural nuances, and regulatory frameworks, to represent the interests and intentions of both parties, enhancing mutual engagement and support.
5. managing and distributing endowment funds in a manner that aligns with donors' wishes. This stewardship ensures that funds continue to support the University's goals as donors intended whilst ensuring fund longevity.
6. establishing and nurturing a vibrant Hebrew University UK-based alumni community, unlocking opportunities for supporters and the University.

## TRUSTEES ANNUAL REPORT

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

### Achievements and performance

#### Charitable activities

During the year, the Charity made grants totalling £3.2m (2024: £4.9m) to the Hebrew University and, in certain cases, directly to students. In the face of a second consecutive year of conflict — which displaced students, disrupted campus life, and constrained international travel — these grants ensured that academic activity could continue with greater consistency than the previous year. For the students supported, many of whom might otherwise have been forced to abandon their studies entirely, this funding represented a direct intervention in their futures and, in many cases, in the communities and countries they will return to serve.

A portion of these grants, amounting to £549,800 (2024: £309,197), was awarded to Hebrew University undergraduate and postgraduate students studying in the UK, as well as to UK-based students undertaking courses at the Hebrew University, and directly to 30 postgraduate students at the Hebrew University. Many of these scholarships support students from developing nations studying public health, agricultural sciences, and international development — skills they take back to communities facing real challenges in nutrition, disease and food security. Others support minority students within Israel — Israeli Arabs, East Jerusalemites, Haredi, and Ethiopian students — for whom a Hebrew University education represents a first step into higher education for their entire family.

#### Financial Report

Income totalled £7.8m, including donations remitted directly to the Hebrew University (see page 15). BFHU's investment portfolio achieved a positive blended net return of 5.4% in the 12 months to 30 September 2025. Historically, over a period of 10 years, the organisation has achieved a 6.4% per annum total return, which is above the annual target of 5%. This has allowed the Charity to maintain a 3.5% annual distribution to the Hebrew University, supporting the objectives of the BFHU-held endowments whilst maintaining capital growth.

#### Governance

At the instigation of BFHU Chair Alan Jacobs, BFHU lay leadership was further strengthened with changes to the Board of Trustees in this period. The resignation of long-serving trustees (two of whom became Patrons after the year-end) has enabled the appointment of one new trustee bringing fresh experience and perspectives to the Board. These changes took place after the year-end. Further appointments are expected in the coming year.

#### Year in review - the Hebrew University of Jerusalem

In common with other universities in Israel, multi-front conflict dominated and permeated every facet of the Hebrew University for the second year in succession. Despite many students being displaced, and the challenges of international travel, academic activity continued with a greater level of consistency than the previous year.

Experts from the Faculty of Law increased activity confronting widespread global academic and research BDS (Boycott, Divestment and Sanctions). On campus the University's leadership remained focused on maintaining a collaborative, diverse, multicultural campus community. Programmes and workshops continued helping to ensure a harmonious environment and respect for diverse views in an emotionally highly charged atmosphere.

The Hebrew University's global Friends community responded robustly to university appeals for support programmes, providing additional academic teaching, injury and bereavement counselling and pastoral care for students and their families. A growing need for trauma and resilience services, coordinated through the Dean of Students' office, was also addressed.



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YEAR ENDED 30 SEPTEMBER 2025

Student numbers increased marginally to 23,200, still below the pre-conflict level of 23,500. Faculty numbers remained stable at 1,034.

Despite the challenges presented by tensions within Israel's complex societal make-up, the Hebrew University remained committed to securing and retaining minority sector students: Israeli Arabs and East Jerusalemites, Jewish ultra-orthodox students, Ethiopians, those from the periphery of the country along with first-time family members in advanced education. The Hebrew University *mechinot* preparatory schools and the support of the Office of the Dean of Students play a vital role in this undertaking. The University maintained funding to cover Israeli Government funding cuts. Without University intervention numerous students might have been forced to discontinue their studies, leaving them with few viable options. This would in turn have served to undermine efforts to strengthen 'shared society'.

Visitor numbers to the Hebrew University, especially donors, remained broadly flat. This was true also of UK visitors which was largely attributable to UK Government travel advice in place for most of the year, along with insurance constraints and concerns regarding personal safety. The 12-day conflict with Iran resulted in the last minute cancellation of the Hebrew University's six-day international centenary Friends gathering in Jerusalem due to start on 13 June 2025.

Despite the difficult environment, the University improved its position in the global top 100 ranking in the respected ARWU international index and secured a place in the top 50 in mathematics, law, communication and public administration.

After 2 terms of office totalling 8 years, HU President Prof Asher Cohen was succeeded by the Rector Prof Tamir Scheafer whose own role was filled by Prof Oron Shagrir, former VP International Affairs.

Amongst other leadership changes, Naama Kaufman-Fass was appointed CEO in September 2025, replacing Yishai Fraenkel, marking a significant transition in the organisation's leadership. Yishai Fraenkel is credited with several substantial achievements during his tenure, including the delivery of major infrastructure projects, the development of new research facilities and technology campuses, and the expansion of industry partnerships, particularly in areas such as artificial intelligence and quantum technologies.

In contrast, Naama Kaufman-Fass's tenure is at an early stage, with her stated priorities focusing on strengthening research and teaching, expanding public and community engagement, and promoting a diverse, equitable, and forward-looking institutional environment.

In addition to maintaining a strong emphasis on academic and research excellence, the University has identified the following strategic priorities:

- Delivering meaningful societal impact within Israel and strengthening public engagement, reflected in the creation of a new Vice-President role for Social Impact and Engagement.
- Deepening collaboration with industry partners to support innovation and economic development in Jerusalem, including the establishment of the Gav Yam high-tech business park on the Safra campus.
- Embedding artificial intelligence and AI-enabled tools across teaching and research activity.
- Expanding investment in computer science and electrical engineering to reinforce technological leadership.
- Increasing the number of medical graduates using advanced simulation-based teaching methods.
- Actively addressing and countering academic boycott initiatives.

#### Year in review – British Friends of the Hebrew University

The conflict inevitably permeated all aspects of the organisation's work and had a significant impact on the organisation and its staff, many of whom have close personal ties to family and friends in Israel as well as longstanding relationships with colleagues at the Hebrew University.

Despite the significant upheaval and constraints experienced over the past six years, beginning with Covid, the professional team has remained focused and adaptable in the face of ongoing challenges. Changes in team membership have been managed smoothly and efficiently.

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The marketing and events programme were adapted to reflect the operating environment during the period.

Key events in the UK during the year:

- Alumni group (UK Israeli community): Hebrew-language, topic-focused events exploring the University's global impact, with a major gathering in January 2026 to mark the centenary of the Hebrew University.
- Archaeology: In partnership with the Anglo Israel Archaeology Society, an event on Hazor led by Dr Igor Kreimerman.
- Agriculture: The annual Birk Prize Awards recognising achievement in agriculture and law.
- Law: In conjunction with JW3, a panel on the international rule of law featuring Professor Philippe Sands KC, HU Professor Yuval Shany and Professor Anat Scolnicov, chaired by Lord Pannick KC. A further discussion between Lord Pannick KC and Dame Vivienne Rose explored judicial careers and the experience of becoming a judge.
- HU/BFHU@100: A special centenary webinar featuring HU Vice President for External Relations, Ambassador (ret.) Yossi Gal, in partnership with UCL's Institute of Jewish Studies.
- Legators: Several meetings, including a late-summer tea attended by Hebrew University alumni pursuing postgraduate studies supported by British Friends scholarships.
- Medical science: The BFHU medical group hosted a cohort of elite HU medical students during a short internship at a leading UK university.
- Collaboration: Numerous virtual events hosted jointly with other Friends organisations and the University on a range of academic and cultural topics.
- Social sciences: Construction of one floor of the BFHU-funded business complex was completed; formal naming has been deferred to 2026.

### Fundraising

Fundraising efforts supported the priority needs of the Dean of Students office: provision of extra academic teaching, injury and bereavement counselling including to student families and, a growing requirement for trauma and resilience support. For most donors, the need to ensure the long-term status of the University remained central to sustaining donor support.

The team continues to follow principles of professionalism, respect, integrity, open communication, and sensitivity to all donor needs recognising the pressures on donors in the current environment. We encourage encounters with the Hebrew University, ideally campus visits which are generally highly effective in strengthening engagement with Hebrew University students, researchers and faculty. Such visits were very limited during the year.

The Charity is registered with the Fundraising Regulator and adheres to the Fundraising Code of Practice.

The British Friends is a long-established charity with donor relationships that are often complex and multi-generational. Voluntary funds are generated through several means, including a periodic gala dinner, biannual mailed appeals, specialised events, legacies, and major giving from individual or institutional foundations, including family trusts.



Approaches to new major potential foundations are coordinated with the Hebrew University who in some circumstances are best placed to lead such approaches.

The Hebrew University is a seven-faculty, interdisciplinary institution with diverse needs all aimed at growing academic and research excellence on an international level. Evolving circumstances continued to create new immediate student needs for the Hebrew University for which British supporters have continued to provide significant support.

More generally, British Friends donors have, over many years, developed their own diverse interests. Maintaining close engagement with donors and aligning their priorities with those of the University has been essential in fostering long-term relationships, particularly during challenging times.

Annual donations, along with the distribution made from restricted endowment funds, helped to support many hundreds of scholarships, including, in line with the University's priorities, to minorities such as Haredi, Israeli Arab and East Jerusalemite, Ethiopian and 'first generation' students.

Significant support comes from the UK for International Masters Scholarships in Public Health, Agricultural Sciences, and International Development Studies for students from many developing nations across the globe, learning new skills and techniques to support their local communities in health, nutrition, and community development. BFHU and the Hebrew University gratefully acknowledge the support of the Pears Foundation along with other UK donors.

Research donations addressed most Faculties of the Hebrew University with particular emphasis on medical science, computer science, AI, and Deep tech, sustainability and law (the latter, an area of collaboration dating back to the early 1950s).

British Friends supported new programmes addressing coexistence and understanding under the umbrella of 'shared society' and significant needs around trauma, mental health counselling and resilience.

### Fundraising & Ceremonies

During the fundraising year, Hebrew University of Jerusalem and British Friends of the Hebrew University were required to cancel several planned ceremonies due to the ongoing conflict, including the Board of Governors centenary gathering scheduled for June. The following prizes were awarded:

- The Kaye Prize awards for scientific innovation
- The Polonsky Prizes for creativity and originality in the Humanistic Disciplines

Other ceremonies took place either in person or virtually

- The Sir Sigmund and Lady Hazel Sternberg prizes for interfaith understanding
- The annual Lionel Cohen lecture – a discussion between Dorit Beinisch former President of Israel's Supreme Court and Lord Pannick KC
- The annual Thea Zucker memorial lecture at JW3 with Prof Asher ben Arie, Dean of the School of Social Work

Marking the centenary of the Hebrew University of Jerusalem, a gala dinner was held in London in November 2025, attended by 225 guests, including Professor Tamir Sheafer, President of the University.

In seeking to maximise long-term impact and to build on this momentum to encourage further UK philanthropy, the Trustees agreed a new project with the University aligned to shared strategic priorities. The British Friends Graduate Scholarship Fund was established in December 2025 to support multiple postgraduate scholarships in the exact sciences over a minimum period of 10 years.

An initial allocation of up to £1.4 million from the general reserves of British Friends of the Hebrew University has been supplemented by funds raised at the November 2025 gala, bringing the total funds committed to £1.6 million.

An agreement was finalised with the Hebrew University in February 2026, setting out the number of annual scholarships, as well as arrangements for reporting, PR and recognition. This strategic flagship fund is recognised as a major initiative by the British Friends, timed to coincide with the charity's 100th anniversary. Professor Tamir Sheafer, President of the Hebrew University, described the fund as coming "at a critical moment for research", reflecting the Hebrew University's founding belief that developing the intellectual potential of its people represents Israel's greatest long-term asset.

### Legacy campaign

BFHU established its legacy programme in 1998, centred on organised visits to the Hebrew University to provide donors with direct insight into its academic and research environment. These visits support the development of long-term relationships and legacy commitments aligned with donor interests.

The most recent mission took place in 2022, with the next planned for 2026 in partnership with the Australian Friends. BFHU continues to engage members of its Honours Club, comprising individuals who have pledged a legacy in support of the University.

### Impact of charitable activities at the Hebrew University

In 2024/25, the Hebrew University aimed to balance the many needs of displaced students while returning to 'business as usual' supporting core academic and research activities along with engagement with the local community.

### GDPR

The British Friends' donor relations and communications activities comply with the Data Protection Act 2018, General Data Protection Regulations (GDPR) and the Privacy & Electronic Communications

Regulations (PECR) via mail, email and through social media and advertising. Consent is obtained where required and recorded appropriately. All information is stored securely. Rights are outlined in the Privacy Policy; changes and opting out can be made at any time.

During the period, there were no GDPR complaints received, nor safeguarding issues reported. Procedures are in place, complying with the Charity Commission regulations and the Fundraising Regulator guidelines.

### Operational activities

The Charity implemented enhancements to cyber security, cloud-based services and data storage and a programme of documents digitisation.

Major professional team changes took place with the retirement of 2 team members; one maternity leave cover and one rotation after a 2-year contract.

### Strategic Risks

#### *Risk Policy*

The Trustees are responsible for overseeing risks faced by the Charity. Detailed considerations of risk are delegated to the Senior Management of the Charity through the Finance, Audit & Risk Committee. Risks are identified, assessed, and controls throughout the year. A formal review of the charity's risk management processes is undertaken annually.

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

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A risk analysis table summarising the key risks is monitored by the Chief Executive and Head of Finance and is brought to the attention of the Board on at least an annual basis. This process forms an integral part of the Charity's annual review of its strategic plan and budget. The key risks are noted below:

Human Resource risks such as loss of key staff members with localised and specialised knowledge and disaffection arising from rapid organisational changes.

Management mitigation: ensure the team is professionally managed and, motivated, competitively remunerated with annual appraisal reviews and orderly progressive changes.

Data & IT Integrity risks include data protection, support and maintenance services, fire risk, and fraud.

Management mitigation: measures included the use of secure cloud-hosted IT platforms, insured risk coverage, professional IT support, and strengthened password protocols alongside adherence to fire and security best practices. A cyber audit has been completed, and a document digitisation programme has been implemented.

Investment risks such as poor returns and foreign exchange exposure.

Management mitigation: Maintain a diversified investment portfolio managed externally by two prominent international fund managers, overseen by the BFHU board investment sub-committee, and benchmarking including international benchmarking across other Hebrew University Friends.

The Trustees believe that the challenging macroeconomic outlook, including inflationary pressures, could have a negative financial effect beyond the short term. They also recognise that, although annual endowment grants are made in sterling, Hebrew University expends money mainly in Shekels.

The portfolios have a high weighting in overseas equities and UK equities that generate much of their earnings overseas. This reduces some of the foreign exchange risks.

Although income may reduce, the Trustees maintain that the accumulated total return is sufficient to sustain the annual 3.5% distribution to the Hebrew University, which is now fixed in US dollars. This arrangement between the Charity and the Hebrew University was formalised in a Memorandum of Understanding in January 2024.

The British Friends maintains a strong reserve position to support operational needs and to respond to emerging Hebrew University needs.

Income risk arises from reliance on a relatively small number of major donors and the potential for shifting philanthropic priorities.

Management mitigation includes strengthening donor retention strategies, broadening the supporter base, and increasing engagement with new foundations and family offices. The Charity continues to enhance its profile through targeted events, improved digital engagement, and closer collaboration with the Hebrew University and other Friends organisations.

Governance risks such as poor compliance with well-established processes and accounting standards.

Management mitigation: maintain a strict routine of monthly management accounting and reporting reinforcing a culture of compliance with robust annual auditing stipulations and statutory accounts. The Finance and Risk Committee oversees these processes.

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Reserves Policy

The Trustees recognise the importance of maintaining adequate reserves to ensure the Charity's financial resilience, support ongoing commitments, and enable flexibility in responding to emerging needs.

In setting the reserves policy, the Trustees have considered the Charity's risk profile, the reliability and timing of income streams, committed and planned expenditure, and the extent to which costs can be reduced or deferred if required. The Charity also considers the need to fund working capital requirements and to manage timing differences between income receipts and expenditure.

The Trustees have determined that free reserves should be maintained at a level sufficient to cover at least 12 months of budgeted operating costs, together with an allowance for the cost of sustaining fundraising activities. On this basis, the target level of free reserves is £760k.

At 30 September 2025, free reserves amounted to £3.1m (2024: £3.2m), which is above the target level. This position reflects the accumulation of prior year surpluses and provides the Charity with strategic flexibility.

The Trustees have approved the allocation of up to £1.4m of these reserves to establish the British Friends Graduate Scholarship Fund, a long-term strategic initiative aligned with the Charity's objectives and the Hebrew University's priorities. Following this allocation, free reserves are expected to move closer to the target range.

The Trustees will continue to keep the level of reserves under close review to ensure it remains appropriate in the context of the Charity's evolving activities, funding environment and strategic commitments.

Future priorities

Philanthropic giving continues to be shaped by competing priorities, both within local communities and in Israel. The British Friends anticipates ongoing challenges for the Hebrew University and will maintain a strong focus on mainstream fundraising to support core research and scholarships, alongside targeted initiatives responding to emerging needs.

The Hebrew University Friends network has successfully completed its seven-year, \$1 billion global fundraising campaign, of which 8% was attributable to the British Friends. Key campaign themes included Human Health, a Better World, High-Tech Jerusalem, and a Sustainable Planet.

With the appointment of a new Hebrew University President, a new campaign is expected to be launched in due course. The British Friends will align its priorities accordingly.

The Charity encourages visits to the Hebrew University and works to help build the Hebrew University's reputation and academic collaboration with leading UK institutions. These will include both current and new potential supporters.

The organisational development plan is now in its final phase of implementation, with focus on the following areas:

- Professional team development – following an orderly transition, integrating four new team members while ensuring continuity of institutional knowledge and operational stability.
- Lay leadership development – continuing the search for new trustees who can bring fresh perspectives and address identified skills and experience gaps, alongside strengthening and expanding the body of Patrons.

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Ensuring smooth and auditable processes remains key and will include a review of the execution of the stipulations of endowments against original purposes.

The organisation remains committed to consistent professional engagement with current donors and to securing new support wherever possible in line with the Hebrew University's priorities. The Charity will maintain investment in new resources to help diversify income streams into charitable foundation and family offices.

Enhancing digital marketing and building the UK Hebrew University alumni community are firm priorities going forward.

A continued strategic approach to events, in some cases with high-profile organisational partners, will guide our efforts in promotional activity to include leading faculty members from the Hebrew University. A major gala dinner took place marking the centenary of the Hebrew University and the launch of a marketing programme themed around the centenary year of the British Friends.

We anticipate that the legacy mission programme will resume, with a delegation planned for late 2026

The organisation will also mark the centenary of the British Friends of the Hebrew University throughout 2026.

Where the British Friends can add value, guided by the Hebrew University's priorities, efforts will continue to facilitate bilateral university collaboration, both research and student exchanges with Russell Group universities.

Mindful of the many continuing local and global challenges, Trustees welcomed the performance of 2024/25.

#### Financial review

Total statutory income for the year amounted to £3.0m (2024: £6.2m), comprising £2.35m of donations and £0.68m of investment and other income. In addition, the British Friends facilitated a further £4.8m (2024: £3.4m) of donations made directly by UK donors to the Hebrew University. Including these amounts, the total contribution attributable to the British Friends for the year was £7.8m (2024: £9.6m).

The reduction in statutory income compared with the prior year reflects the absence of exceptional legacy receipts recognised in 2024. Underlying donation levels remain broadly consistent.

Total expenditure on charitable activities amounted to £3.2m (2024: £4.9m), comprising grants to the Hebrew University and directly to students in line with donor intent. Fundraising and support costs remained well controlled at £0.5m (2024: £0.5m).

The Charity reported a net movement in funds of £1.0m (2024: £4.9m), driven primarily by investment gains of £1.7m (2024: £4.1m). Excluding investment gains, the underlying position reflects a small operating deficit, consistent with the Trustees' approach of utilising reserves to support strategic priorities where appropriate.

The investment portfolio delivered a blended total return of 5.4% over the year. While this was below the ARC Charity Steady Growth index of 7.24%, performance is considered satisfactory in the context of the Charity's long-term investment strategy, which maintains a bias towards high-quality, globally diversified assets. Over a ten-year period, the portfolio has delivered an average annual return of 6.4%, exceeding the long-term target of 5% and supporting a sustainable annual distribution of 3.5% to the Hebrew University.

## BFHU's Contribution to the Hebrew University of Jerusalem

| <u>Income</u>                                   | Note | 2025                    |                       |                      | 2024       |
|-------------------------------------------------|------|-------------------------|-----------------------|----------------------|------------|
|                                                 |      | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | Total<br>£ |
| Total income as presented                       |      | 250,934                 | 2,667,071             | 117,028              | 3,035,033  |
| Direct donations to the Hebrew University (HU)  |      | -                       | 4,753,989             | -                    | 4,753,989  |
| Total income attributable to the BFHU by the HU | 18   | 250,934                 | 7,421,060             | 117,028              | 7,789,022  |

  

| <u>Expenditure</u>                              | Note | 2025                    |                       |                      | 2024       |
|-------------------------------------------------|------|-------------------------|-----------------------|----------------------|------------|
|                                                 |      | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | Total<br>£ |
| Grants funding activities as presented          | 6    | -                       | 3,219,389             | -                    | 3,219,389  |
| Direct donations to the Hebrew University (HU)  |      | -                       | 4,753,989             | -                    | 4,753,989  |
| Total grants attributable to the BFHU by the HU | 18   | -                       | 7,973,378             | -                    | 7,973,378  |

At the year-end the Charity held unrestricted funds of £3.1m, restricted funds of £1.1m and available expendable endowment resources of £37.6m.

### Structure, Governance and Management

#### *Nature of Governing Document*

The British Friends have been supporting the Hebrew University since 1926 through various linked charities. The British Friends of the Hebrew University was incorporated on 22 August 2007 and is governed by its memorandum and articles of association, as amended by special resolution(s) dated 9 May 2013.



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*Organisational structure (Structure, Governance and Management)*

The Charity is controlled by the Directors/Trustees; the full time Chief Executive Officer reports to the Trustees monthly. Support staff are split by function, such as donor support operations, marketing and communications, alumni, finance and fundraising all reporting directly to the CEO in a flat organisational structure.

*Recruitment and appointment of Trustees*

Board members are selected with regard to their core competencies, breadth of skills, relevant sector experience and overall commitment to the Charity's mission. The Board seeks, where practicable, to maintain a balanced mix of expertise, including:

- legal expertise
- financial, accounting and investment expertise
- insight into emerging and high-growth sectors
- experience in education and academic research environments
- senior managerial and commercial leadership experience

*Induction and training of Trustees*

All newly appointed Trustees receive a comprehensive induction, including meetings with staff and fellow Trustees and engagement with senior University officials, including the President. Trustees are encouraged to visit the University in Israel. Ongoing engagement and development form part of the Trustee role, and Trustees are encouraged to attend relevant external training to support their understanding of their responsibilities. Trustees are appointed for initial three-year terms, renewable up to a maximum of three such terms, after which any further appointments are for one year at a time, subject to the retirement and appointment provisions set out in the Memorandum.

*Diversity, Equity & Inclusion*

The Trustees are committed to fostering an inclusive culture across the organisation. In recruiting trustees and staff, the Board actively seeks candidates from diverse backgrounds, recognising that a breadth of perspectives strengthens governance and decision-making. During the year, the Board undertook a skills and diversity audit to inform its trustee recruitment priorities. The Charity's staffing reflects a range of professional backgrounds, and we remain committed to ensuring that our workplace is welcoming and equitable for all.

*Arrangements for setting key management personnel remuneration*

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

*Safeguarding*

The Charity takes its safeguarding responsibilities seriously. The Board has adopted a formal Safeguarding Policy, reviewed annually by the Trustees, which sets out our commitment to protecting the welfare of students, volunteers, beneficiaries and all individuals with whom we work. A designated Safeguarding Lead has been appointed from within the senior team, and all staff receive safeguarding awareness training as part of their induction and ongoing development.

The Charity works closely with the Hebrew University, whose own safeguarding and student welfare frameworks govern activity on campus. Where BFHU funds student activity directly — including UK-based internships and postgraduate placements — appropriate checks and supervision arrangements are in place. No safeguarding concerns were reported or escalated during the year.

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2025

*Investment policies & performance*

The British Friends adheres to the Charity Commission's investment guidance. The Charity's investment strategy is agreed with the investment managers in accordance with the Charity's investment policy and is overseen by the Investment Committee, which meets regularly to review performance, strategy and compliance.

The Charity's investment policy explicitly excludes companies whose activities are inconsistent with our charitable objectives, or which could reasonably damage our reputation. Our investment managers, Rothschild & Co and Rathbones, are both signatories to the UN Principles for Responsible Investment and integrate ESG factors into their portfolio management processes. The Investment Committee reviews ESG compliance annually as part of its oversight of manager performance.

The Charity's investment portfolios are managed in accordance with an agreed long-term strategy and are benchmarked on a total return basis against a global asset allocation of approximately 75% equities, 15% bonds, and 10% in other assets and cash.

Over the 12 months to 30 September 2025, global financial markets delivered positive returns, supported by moderating inflation, interest rate adjustments, and resilient economic growth. Equity markets performed strongly, particularly in the United States, driven by continued investment in technology and artificial intelligence-related sectors. UK equities also produced solid returns, while government bonds delivered modest negative performance over the period.

Within this context, the Charity's portfolios delivered total net returns of 5.37% (Rathbones) and 5.35% (Rothschild & Co), after fees. While this performance was below the ARC Charity Steady Growth index of 7.24%, it reflects the portfolios' positioning towards high-quality, globally diversified assets and a disciplined, long-term investment approach. Over a ten-year period, the portfolio has delivered an average annual return of 6.4%, exceeding the long-term target of 5% and supporting a sustainable annual distribution of 3.5% to the Hebrew University.

The Trustees, supported by the Investment Committee, continue to monitor performance closely. The current strategy remains focused on achieving sustainable long-term returns to support the Charity's distribution policy, while managing risk through diversification and maintaining sufficient liquidity to meet operational requirements.

In addition, both managers complete an annual governance questionnaire designed to review compliance, risk controls, safeguarding arrangements, and operational resilience. The findings inform ongoing improvements to governance practices and internal oversight.

*Grant making policies*

Grants are made from restricted funds and income, and, in some cases, the capital derived from endowment funds in a manner as closely aligned as possible with the original wishes of the donor.

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

A total of £50,000 was allocated after the year end for BFHU discretionary scholarships in 2025/26, with awards made both to the Hebrew University and to Hebrew University students extending their postgraduate studies in the UK.

*Creditor payment policy*

Creditors are paid in accordance with their payment terms.

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2025

*Going concern*

The Trustees have evaluated that there are no conditions or events that raise doubt about the Charity's ability to continue as a going concern.

*Relationship with donors*

The British Friends adheres to the Code of Fundraising Practice and is registered with the Fundraising Regulator. This shows commitment to good fundraising practices.

**Public benefit statement**

The Directors and Trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 by giving due regard to the public benefit guidance issued by the Charity Commission for England and Wales. The Charity's grants, monitored through ongoing audit and reporting processes, support the Hebrew University in delivering high-quality higher education, advancing knowledge through teaching and contributing to world-class academic research. The Charity also promotes access for minority groups while encouraging the pursuit of the highest academic standards, thereby delivering wider benefit to society.

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2025

Trustees' responsibilities statement

The Trustees of the British Friends (who are also Directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently.  
Observe the methods and principles in the Charities SORP (FRS 102).  
Make judgements and estimates that are reasonable and prudent.  
State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and  
Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Trustees are aware:  
there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.  
In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. This report was approved by the board and signed on behalf of the Board by:

*Alan Jacobs*

.....  
Alan Jacobs  
Trustee

Date: 19 May 2026

*Denise Joseph*

.....  
Denise Joseph  
Trustee

Date: 19 May 2026

## INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2025

### Opinion

We have audited the financial statements of British Friends of the Hebrew University of Jerusalem for the year ended 30 September 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2025

that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- 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 for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on pages 21-22 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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



INDEPENDENT AUDITORS' REPORT

YEAR ENDED 30 SEPTEMBER 2025

of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety requirements, GDPR, employment law, charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP) and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenges to the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tom Brain (Senior Statutory Auditor)  
For and on behalf of HaysMac LLP, Statutory Auditors  
10 Queen Street Place  
London EC4R 1AG

Date: 3 June 2026

BRITISH FRIENDS OF THE HEBREW UNIVERSITY OF JERUSALEM

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 30 SEPTEMBER 2025

|                                   |      | 2025                    |                       |                      |             | 2024        |
|-----------------------------------|------|-------------------------|-----------------------|----------------------|-------------|-------------|
|                                   | Note | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | Total<br>£  | Total<br>£  |
| Income and endowments from:       |      |                         |                       |                      |             |             |
| Donations and legacies            | 2    | 190,291                 | 2,046,185             | 117,028              | 2,353,504   | 5,544,545   |
| Other activities                  | 3    | -                       | 1,850                 | -                    | 1,850       | 8,200       |
| Investments                       | 4    | 60,643                  | 619,036               | -                    | 679,679     | 631,163     |
| Total income and endowments       |      | 250,934                 | 2,667,071             | 117,028              | 3,035,033   | 6,183,908   |
| Expenditure on:                   |      |                         |                       |                      |             |             |
| Raising funds                     | 5    | (300,544)               | (716)                 | (210,052)            | (511,312)   | (506,992)   |
| Charitable activities             | 6    | -                       | (3,219,389)           | -                    | (3,219,389) | (4,910,368) |
| Total expenditure                 |      | (300,544)               | (3,220,105)           | (210,052)            | (3,730,701) | (5,417,360) |
| Net gains/(losses) on investments | 14   | -                       | -                     | 1,704,361            | 1,704,361   | 4,127,818   |
| Net income                        |      | (49,610)                | (553,034)             | 1,611,337            | 1,008,693   | 4,894,366   |
| Transfers between funds           | 18   | (15,195)                | 765,117               | (749,922)            | -           | -           |
| Net movement in funds             | 18   | (64,805)                | 212,083               | 861,415              | 1,008,693   | 4,894,366   |
| Reconciliation of funds:          |      |                         |                       |                      |             |             |
| Total funds brought forward       | 18   | 3,184,341               | 886,737               | 36,742,240           | 40,813,318  | 35,918,952  |
| Total funds carried forward       | 18   | 3,119,536               | 1,098,820             | 37,603,655           | 41,822,011  | 40,813,318  |

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 25 to 43 form part of these financial statements.

## BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2025

|                                                         | Note | 2025<br>£         | 2024<br>£         |
|---------------------------------------------------------|------|-------------------|-------------------|
| Fixed assets                                            |      |                   |                   |
| Tangible assets                                         | 13   | 3                 | 3                 |
| Investments                                             | 14   | 41,207,506        | 39,491,225        |
|                                                         |      | <u>41,207,509</u> | <u>34,491,228</u> |
| Current assets                                          |      |                   |                   |
| Debtors                                                 | 15   | 341,854           | 2,142,319         |
| Cash at the bank and in hand                            |      | 801,940           | 467,951           |
|                                                         |      | <u>1,143,794</u>  | <u>2,610,270</u>  |
| Creditors: amounts falling due within one year          | 16   | (529,291)         | (1,288,180)       |
|                                                         |      | <u>614,503</u>    | <u>1,322,090</u>  |
| Net current assets                                      |      |                   |                   |
|                                                         |      | <u>41,822,011</u> | <u>40,813,318</u> |
| Total Assets less current liabilities                   |      |                   |                   |
|                                                         |      | <u>41,822,011</u> | <u>40,813,318</u> |
| Creditors: amounts falling due after more than one year | 16   | -                 | -                 |
| Net assets                                              |      | <u>41,822,011</u> | <u>40,813,318</u> |
| Charity Funds                                           |      |                   |                   |
| Expendable endowments                                   | 18   | 37,603,655        | 36,742,240        |
| Restricted funds                                        | 18   | 1,098,820         | 886,737           |
| Unrestricted funds                                      | 18   | 3,119,536         | 3,184,341         |
|                                                         |      | <u>41,822,011</u> | <u>40,813,318</u> |
| Total charity funds                                     |      |                   |                   |
|                                                         |      | <u>41,822,011</u> | <u>40,813,318</u> |

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board on .

Signed on behalf of the Board of Trustees

*Alan Jacobs*

Alan Jacobs  
Trustee  
Date: 19 May 2026

*Denise Joseph*

Denise Joseph  
Trustee  
Date: 19 May 2026

The notes on pages 25 to 43 form part of these financial statements.

## STATEMENT OF CASH FLOWS

YEAR ENDED 30 SEPTEMBER 2025

|                                                           | Note | 2025<br>£        | 2024<br>£        |
|-----------------------------------------------------------|------|------------------|------------------|
| Cash flow from operating activities                       | 22   | (123,719)        | (394,403)        |
| Net cash flow from operating activities                   |      | <u>(123,719)</u> | <u>(394,403)</u> |
| Cash flow from investing activities                       |      |                  |                  |
| Withdrawals from/ (additions to) the Investment Portfolio |      | 1                | (41,448)         |
| Payments to acquire investments                           |      | (9,787,578)      | (8,091,897)      |
| Receipts from sales of investments                        |      | 9,565,606        | 7,224,424        |
| Interest received                                         |      | 91,944           | 71,886           |
| Dividends received                                        |      | 587,735          | 559,277          |
| Net cash flow from investing activities                   |      | <u>457,708</u>   | <u>(277,758)</u> |
| Net increase in cash and cash equivalents                 |      | 333,989          | (672,161)        |
| Cash and cash equivalents at 1 October                    |      | 467,951          | 1,140,113        |
| Cash and cash equivalents at 30 September                 |      | <u>801,940</u>   | <u>467,952</u>   |

## ANALYSIS OF CHANGES IN NET FUNDS

|               | At 1 October<br>2024<br>£ | Cash flow<br>£ | At 30<br>September<br>2025<br>£ |
|---------------|---------------------------|----------------|---------------------------------|
| Cash and bank | <u>467,951</u>            | <u>333,989</u> | <u>801,940</u>                  |

The notes on pages 25 to 43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

1 Summary of significant accounting policies

(a) General information and basis of preparation

British Friends of the Hebrew University of Jerusalem is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 209691) and Registrar of Companies (Company Registration Number 06350828) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are to support research, scholarships and capital projects of the Hebrew University whilst supporting UK students who wish to study at the Hebrew University, student exchange programmes and academic collaboration with the UK's foremost research institutions.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

The financial statements have been prepared on a going concern basis, and the Trustees believe that no material uncertainties exist that may cast significant doubt on the charity's ability to continue as a going concern. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the Charity to be able to continue as a going concern.

(c) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the Charity for specific purposes.

The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

The Charity's endowment funds are classified as expendable endowment funds, meaning they can be spent in accordance with the Charity's objectives while preserving capital where possible. Income generated from these funds is treated as unrestricted income, and any capital gains or losses from investments are retained within the fund. Investment management fees and legal costs related to the fund are deducted as necessary.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity, and it is probable that they will be fulfilled. Amounts donated directly to the Hebrew University from UK donors are not included within the Financial Statements as the charity does not exert enough control over these funds.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- we have confirmation from the representatives of the estate(s) that probate has been granted.
- the executors have established that there are sufficient assets in the estate to pay the legacy. and
- all the conditions attached to the legacy have been fulfilled or are within the charity's control.

Income from fundraising events to raise funds for the Charity is recognised when received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised

where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds include costs incurred seeking voluntary contributions through donations, investment management costs and the running of fundraising events during the year.
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants made to third parties fall within the Charity's objectives. Unconditional grants are recognised as an accrual once the recipient has been notified, as this creates a valid expectation that the grant will be paid. Conditional grants linked to performance are only accrued when any outstanding conditions are no longer within the Charity's control.

(f) Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to specific headings, they have



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources, for example, allocating property costs by floor areas, or per capita staff costs by the time spent and other costs by usage. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

The analysis of these costs is included in Note 7.

### (g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

The land in Israel was valued on 19<sup>th</sup> January 2017 at £26,000. The Trustees believe that it is prudent to amortise this as the Charity has been unable to sell it.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

|                       |                   |
|-----------------------|-------------------|
| Office equipment      | 25% straight line |
| Fixtures and fittings | 20% straight line |
| Phone system          | 20% straight line |

### (h) Investments

The Charity has equity investments in listed entities. Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All unrealised gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

### (i) Debtors and creditors receivable / payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

### (j) Leases

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## (k) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

## (l) Tax

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. It therefore does not suffer tax on income or gains applied for charitable purposes.

## (m) Financial instruments

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

Listed investments – Listed investments are held at fair value.

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost, as detailed in Note 17. Taxation and social security are not included in the financial instruments' disclosure.

## (n) Judgements and key sources of estimation uncertainty

The judgements that have had the most significant effect on amounts recognised in the financial statements are the estimation of legacies receivable, allocation of support costs and depreciation rates. The estimates and associated assumptions are based on historical experience and other relevant factors and recent communications from the executors or their legal and professional representatives. The underlying assumptions which affect these judgements are reviewed on an ongoing basis.

## 2 Income from donations and legacies

|                | 2025             | 2024             |
|----------------|------------------|------------------|
|                | £                | £                |
| Legacies       | 267,795          | 2,788,520        |
| Regular giving | 2,085,709        | 2,756,025        |
| Total          | <u>2,353,504</u> | <u>5,544,545</u> |

Income from donations and legacies was £2,353,504 (2024: £5,544,545), of which £117,028 (2024: £899,531) was attributable to endowments, £2,046,185 (2024: £2,576,886) was attributable to restricted, and £190,291 (2024: £2,068,128) was attributable to unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 3 Restricted donations from events – Raising Funds

|                                                | 2025<br>£    | 2024<br>£    |
|------------------------------------------------|--------------|--------------|
| Events income – Conferences and similar events | 1,850        | 8,200        |
| Total                                          | <u>1,850</u> | <u>8,200</u> |

Donations from events in 2025 and 2024 were attributable to restricted funds.

## 4 Income from investments

|                                      | 2025<br>£      | 2024<br>£      |
|--------------------------------------|----------------|----------------|
| Dividends – equities                 | 587,735        | 559,277        |
| Interest - fixed interest securities | 75,731         | 52,036         |
| Interest – deposits                  | 16,213         | 19,850         |
| Total                                | <u>679,679</u> | <u>631,163</u> |

Income from investments was £679,679 (2024: £631,163), of which £619,036 (2024: £584,128) was attributable to restricted funds, and £60,643 (2024: £47,035) was attributable to unrestricted funds. The British Friends portfolio at Rothschild does not have any individual Fixed Interest holding; the Fixed Income element is held via the R Wealth Management Investment Grade Bond Fund. This is a Luxemburg fund, and the income received is paid as a dividend.

## 5 Costs of raising funds

|                             | 2025<br>£      | 2024<br>£      |
|-----------------------------|----------------|----------------|
| Support costs               | 301,260        | 309,742        |
| Investment management costs | 210,052        | 197,250        |
| Total                       | <u>511,312</u> | <u>506,992</u> |

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 6 Analysis of expenditure on charitable activities

|                                 | Grant funding of<br>activities | Support costs | Total     |
|---------------------------------|--------------------------------|---------------|-----------|
|                                 | £                              | £             | £         |
| Grants to students              | 549,800                        | -             | 549,800   |
| Grants to the Hebrew University | 2,454,156                      | 215,433       | 2,669,589 |
| 2025 total                      | 3,003,956                      | 215,433       | 3,219,389 |

|                                 | Grant funding of<br>activities | Support costs | Total     |
|---------------------------------|--------------------------------|---------------|-----------|
|                                 | £                              | £             | £         |
| Grants to students              | 309,197                        | -             | 309,197   |
| Grants to the Hebrew University | 4,401,108                      | 200,063       | 4,601,171 |
| 2024 total                      | 4,710,305                      | 200,063       | 4,910,368 |

All the above grants to the Hebrew University were attributable to restricted funds £2,454,156 (2024: £4,401,108) and so were the grants to students £549,800 (2024: £309,197). Total support costs of £215,433 (2024: £200,063) are analysed in Note 7.

The British Friends remitted approximately £2m to Hebrew University, mainly from annual gifts but sends just over £1.2m from existing Endowment Funds. It was also involved in securing a further £4.8m (2024: £3.5m) in donations that go directly to the Hebrew University.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 7 Analysis of total expenditure on support costs

| Support cost                              | Basis of allocation | Raising funds<br>£ | Grant-making<br>£ | Total<br>2025<br>£ |
|-------------------------------------------|---------------------|--------------------|-------------------|--------------------|
| Salaries & other staff costs              | Staff time          | 229,577            | 98,390            | 327,967            |
| Establishment costs                       | Staff time          | 39,608             | 16,975            | 56,583             |
| Printing, advertising, and administration | Direct              | (27,551)           | 58,318            | 30,767             |
| Travelling expenses                       | Direct              | 5,753              | 2,465             | 8,218              |
| Event costs                               | Direct              | 716                | -                 | 716                |
| Governance costs                          | Direct              | 23,784             | 10,193            | 33,977             |
| Information technology                    | Direct              | 29,373             | 29,092            | 58,465             |
| Total 2025                                |                     | 301,260            | 215,433           | 516,693            |

| Support cost                              | Basis of allocation | Raising funds<br>£ | Grant-making<br>£ | Total<br>2024<br>£ |
|-------------------------------------------|---------------------|--------------------|-------------------|--------------------|
| Salaries & other staff costs              | Staff time          | 216,107            | 92,617            | 308,724            |
| Establishment costs                       | Staff time          | 37,454             | 16,052            | 53,506             |
| Printing, advertising, and administration | Direct              | 19,514             | 54,337            | 73,851             |
| Travelling expenses                       | Direct              | 10,459             | 4,482             | 14,941             |
| Event costs                               | Direct              | 485                | -                 | 485                |
| Governance costs                          | Direct              | 13,565             | 18,893            | 32,458             |
| Information technology                    | Direct              | 12,157             | 13,682            | 25,839             |
| Total 2024                                |                     | 309,741            | 200,063           | 509,804            |

In 2025 & 2024 70% of the salaries, national insurance costs, other staff costs, and establishment costs have been allocated to raising funds. In 2025 & 2024 30% of the salaries, national insurance costs, other staff costs, and establishment costs have been allocated to charitable activities. This is based on the best estimate of staff time.

## 8 Governance costs

|                                      | 2025<br>£ | 2024<br>£ |
|--------------------------------------|-----------|-----------|
| Auditors' remuneration – UK & Israel | 30,000    | 24,192    |
| Legal fees                           | 491       | 706       |
| Other                                | 3,486     | 7,560     |
| Total                                | 33,977    | 32,458    |

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 9 Analysis of grants

|                                                       | Grants to<br>institutions<br>£ | Grants to<br>individuals<br>£ | Total<br>£ |
|-------------------------------------------------------|--------------------------------|-------------------------------|------------|
| Grants to students at the Hebrew University           | -                              | 194,000                       | 194,000    |
|                                                       | -                              | 355,800                       | 355,800    |
| Grants to Hebrew University students who study abroad |                                |                               |            |
| Grants to the Hebrew University:                      | 2,454,872                      | -                             | 2,454,872  |
| Designated projects                                   | £1,022,746                     |                               |            |
| Scholarships                                          | £1,328,552                     |                               |            |
| Prizes                                                | £37,707                        |                               |            |
| Institute for Medical Research                        | £65,867                        |                               |            |
| 2025 total                                            | 2,454,872                      | 549,800                       | 3,004,672  |
| Grants to students at the Hebrew University           | -                              | 194,000                       | 194,000    |
|                                                       | -                              | 115,197                       | 115,197    |
| Grants to Hebrew University students who study abroad |                                |                               |            |
| Grants to the Hebrew University:                      | 4,401,569                      | -                             | 4,401,569  |
| Designated projects                                   | £2,149,081                     |                               |            |
| Scholarships                                          | £2,136,958                     |                               |            |
| Prizes                                                | £40,000                        |                               |            |
| Institute for Medical Research                        | £75,529                        |                               |            |
| 2024 total                                            | 4,401,569                      | 309,197                       | 4,710,766  |

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

### Scholarships

Pears Foundation is a significant major donor funding students undertaking International Masters Scholarships in Public Health, Agricultural Sciences, and International Development Studies for students from many developing nations across the globe learning new skills and techniques to support their local communities in health, nutrition, and community development. The current cohorts across the 3 programmes include students from most continents of the world.

Without such scholarships, they could not attend the Hebrew University. The social impact of these students is demonstrated in their home countries where they become active in the field of Public Health, often at policy-making level. Alumni are also in regular contact with their global peers.

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

The British Friends Graduate Scholarship Fund is anticipated to show material impact.



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

**Research**

The Carew Shaw Endowment Fund distributed £280,000 in 22/23 (2022 £265,000) for a HU Distinguished Medical Faculty Award. This is normally given to encourage very bright researchers to come to HU, often after post-Doctoral work in the USA. Several of these have subsequently won European Research Council awards which recognise the contribution that their research is making internationally. This also enhances the reputation of Hebrew University.

**Prizes**

The Kaye Innovation Awards for scientific innovation and the Polonsky Prizes for creativity & originality in Humanistic Disciplines recognise excellence and important research or teaching at the Hebrew University. Such prizes help to enhance the reputation not only of the individual recipients but also the Hebrew University as a whole.

**Lectures**

Several British Friends funds help to support important lectures including in the legal and medical fields facilitating HU campus visits and events in the UK.

**10 Net income for the year**

Net income is stated after charging / (crediting):

|                                                  | 2025<br>£ | 2024<br>£ |
|--------------------------------------------------|-----------|-----------|
| Depreciation/Impairment of tangible fixed assets | -         | -         |
| Auditors' remuneration - Audit fees – UK         | 30,000    | 20,160    |
| Finance charges payable                          | 1,731     | 2,495     |
| Operating lease rentals                          | 39,518    | 39,518    |
| Net (gains) / losses on foreign exchange         | (33,865)  | 2,595     |
|                                                  | <hr/>     | <hr/>     |

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

The Trustees neither received nor waived any remuneration during the year (2024: £Nil).

The remuneration of the Chief Executive, the Charity's only Key full time Management Personnel, is reviewed annually by the Remuneration Committee using benchmarking data from comparable fundraising charities. Total employee benefits for the year, including employer National Insurance contributions of £24,241 and performance bonus approved on 17th December 2025 amounted to £173,146 (2024: £172,108), representing an increase of 0.6% year-on-year. The Committee is satisfied that remuneration reflects both the responsibilities of the role and the Charity's commitment to attracting and retaining high-calibre leadership. The Charity considers its Key Management personnel to comprise the Trustees and the Chief Executive.

The Trustees did not receive any expenses reimbursed during the year (2024: £Nil).

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 12 Staff costs and employee benefits

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

|                       | 2025<br>Number | 2024<br>Number |
|-----------------------|----------------|----------------|
| Raising funds         | 4              | 3              |
| Charitable activities | 2              | 2              |
| Governance            | 1              | 1              |
|                       | <u>7</u>       | <u>6</u>       |

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

|                       | 2025<br>Number | 2024<br>Number |
|-----------------------|----------------|----------------|
| Raising funds         | 2              | 2              |
| Charitable activities | 1              | 1              |
| Governance            | 1              | 1              |
|                       | <u>4</u>       | <u>4</u>       |

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

|                    | 2025<br>£      | 2024<br>£      |
|--------------------|----------------|----------------|
| Wages and salaries | 277,312        | 272,521        |
| Social security    | 27,382         | 27,362         |
| Other staff costs  | 10,973         | 8,840          |
|                    | <u>315,667</u> | <u>308,723</u> |

Related Parties paid no staff costs or employee benefits.

The number of employees who received total employee benefits of more than £60,000 (excluding employer pension costs but including employer NI costs of £24,241) is as follows:

|                     | 2025<br>Number | 2024<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 0              | 0              |
| £170,001 - £180,000 | 1              | 1              |
|                     | <u>1</u>       | <u>1</u>       |

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 13 Tangible fixed assets

|                          | Land<br>£ | Fixtures and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|--------------------------|-----------|-------------------------------|----------------------------|------------|
| Cost or valuation:       |           |                               |                            |            |
| At 1 October 2024        | 26,000    | 6,234                         | 25,884                     | 58,118     |
| Additions/(Disposals)    | -         | -                             | -                          | -          |
| At 30 September 2025     | 26,000    | 6,234                         | 25,884                     | 58,118     |
| Depreciation/Impairment: |           |                               |                            |            |
| At 1 October 2024        | 25,998    | 6,233                         | 25,884                     | 58,115     |
| Disposals                | -         | -                             | -                          | -          |
| At 30 September 2025     | 25,998    | 6,233                         | 25,884                     | 58,115     |
| Net book value:          |           |                               |                            |            |
| At 30 September 2025     | 2         | 1                             | -                          | 3          |
| At 30 September 2024     | 2         | 1                             | -                          | 3          |

Land in Israel

The Trustees consider it appropriate to recognise an impairment of the land in Israel, as the Charity has been unable to realise value from the asset as the plot forms part of a larger parcel of scrub land and cannot be sold separately.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 14 Fixed asset investments

|                             | Listed<br>investments<br>£ |
|-----------------------------|----------------------------|
| <u>Fair value</u>           |                            |
| At 1 October 2024           | 39,491,225                 |
| Additions at cost           | 9,787,578                  |
| Disposals proceeds          | (9,565,606)                |
| Revaluations                | 1,704,361                  |
| Investment management fees  | (210,052)                  |
|                             | <hr/>                      |
| At 30 September 2025        | <u>41,207,506</u>          |
| <br><u>Historical Cost:</u> |                            |
| At 30 September 2025        | <u>32,231,382</u>          |

Listed Investments at fair value comprise:

|                       | 2025<br>£         | 2024<br>£         |
|-----------------------|-------------------|-------------------|
| Investment Funds      | 8,238,688         | 2,152,308         |
| UK listed investments | 2,923,097         | 4,139,890         |
| UK cash deposits      | 2,321,754         | 3,005,305         |
| Fixed income          | 5,838,939         | 5,553,886         |
| UK other investments  | 1,825,417         | 3,059,886         |
| Overseas investments  | <u>20,059,611</u> | <u>21,579,950</u> |
|                       | <u>41,207,506</u> | <u>39,491,225</u> |

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

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 15 Debtors

|                      | 2025<br>£      | 2024<br>£        |
|----------------------|----------------|------------------|
| Trade Debtors        | 18,167         | 145,165          |
| Legacies due         | 225,193        | 1,967,353        |
| Prepayments          | 82,954         | 23,716           |
| Gift aid recoverable | 15,540         | 6,085            |
|                      | <u>341,854</u> | <u>2,142,319</u> |

## 16 Creditors: amounts falling due within one year

|                               | 2025<br>£      | 2024<br>£        |
|-------------------------------|----------------|------------------|
| Trade creditors               | 41,659         | 22,827           |
| Grant commitments             | 326,663        | 1,131,127        |
| Other tax and social security | 2,302          | 7,777            |
| Other creditors               | 34,000         | -                |
| Accruals                      | 124,667        | 126,449          |
|                               | <u>529,291</u> | <u>1,288,180</u> |

## 17 Financial commitments

The operating lease represents a premises lease signed on 19<sup>th</sup> July 2023 and expiring on the 18<sup>th</sup> July 2028.

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

|                                              | 2025<br>£      | 2024<br>£      |
|----------------------------------------------|----------------|----------------|
| Not later than one year                      | 39,516         | 39,516         |
| Later than one and not later than five years | 70,799         | 110,315        |
|                                              | <u>110,315</u> | <u>149,831</u> |

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## 18 Fund reconciliation

## Fund descriptions

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for designated purposes. The aim and use of each designated fund are set out below.

Restricted funds relate to donated income or grants that have been specified by the donor or granted for a specific purpose.

## Endowment funds

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

## Unrestricted funds

|                           | Balance at<br>1 October<br>2024 | Income  | Expenditure | Transfers | Gains /<br>(losses) | Balance at 30<br>September<br>2025 |
|---------------------------|---------------------------------|---------|-------------|-----------|---------------------|------------------------------------|
|                           | £                               | £       | £           | £         | £                   | £                                  |
| Unrestricted<br>– General | 3,184,341                       | 250,934 | (300,544)   | (15,195)  | -                   | 3,119,536                          |
| Total 2025                | 3,184,341                       | 250,934 | (300,544)   | (15,195)  | -                   | 3,119,536                          |

  

|                           | Balance at<br>1 October<br>2023 | Income    | Expenditure | Transfers | Gains /<br>(losses) | Balance at 30<br>September<br>2024 |
|---------------------------|---------------------------------|-----------|-------------|-----------|---------------------|------------------------------------|
|                           | £                               | £         | £           | £         | £                   | £                                  |
| Unrestricted<br>– General | 1,731,142                       | 2,115,163 | (309,256)   | (352,708) | -                   | 3,184,341                          |
| Total 2024                | 1,731,142                       | 2,115,163 | (309,256)   | (352,708) | -                   | 3,184,341                          |

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

- Transfers of £15,195 were made from unrestricted funds to restricted funds regarding the charity's contribution towards matching scholarships and a special grant for urgent academic needs.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## Restricted funds

|                                  |    | Balance at 1<br>October<br>2024 | Income    | Expenditure | Transfers | Gains /<br>(losses) | Balance at<br>30<br>September<br>2025<br>£ |
|----------------------------------|----|---------------------------------|-----------|-------------|-----------|---------------------|--------------------------------------------|
|                                  |    | £                               | £         | £           | £         | £                   | £                                          |
| Restricted                       |    | 886,737                         | 2,667,071 | (3,220,105) | 765,117   | -                   | 1,098,820                                  |
|                                  |    | 886,737                         | 2,667,071 | (3,220,105) | 765,117   | -                   | 1,098,820                                  |
| Expendable<br>Endowment<br>funds | 19 | 36,742,240                      | 117,028   | (210,052)   | (749,922) | 1,704,361           | 37,603,655                                 |
|                                  |    | 36,742,240                      | 117,028   | (210,052)   | (749,922) | 1,704,361           | 37,603,655                                 |
| 2025 Total                       |    | 37,628,977                      | 2,784,099 | (3,430,157) | 15,195    | 1,704,361           | 38,702,475                                 |

|                                  |    | Balance at 1<br>October<br>2023 | Income    | Expenditure | Transfers   | Gains /<br>(losses) | Balance at<br>30<br>September<br>2024<br>£ |
|----------------------------------|----|---------------------------------|-----------|-------------|-------------|---------------------|--------------------------------------------|
|                                  |    | £                               | £         | £           | £           | £                   | £                                          |
| Restricted                       |    | 1,073,443                       | 3,169,214 | (4,910,854) | 1,554,935   | -                   | 886,737                                    |
|                                  |    | 1,073,443                       | 3,169,214 | (4,910,854) | 1,554,935   | -                   | 886,737                                    |
| Expendable<br>Endowment<br>funds | 19 | 33,114,368                      | 899,531   | (197,250)   | (1,202,227) | 4,127,818           | 36,742,240                                 |
|                                  |    | 33,114,368                      | 899,531   | (197,250)   | (1,202,227) | 4,127,818           | 36,742,238                                 |
| 2024 Total                       |    | 34,187,811                      | 4,068,745 | (5,108,104) | 352,708     | 4,127,818           | 37,628,977                                 |

## Restricted Funds

Due to the considerable volume and the immaterial nature of each individual fund, it is not practical to report on each fund activity.

At the year-end, the charity held £695k (2024: £725k) worth of donations for restricted projects within the Hebrew University, and £404k (2024: £161k) for scholarships. Both were awaiting confirmation of students and projects.



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

In total, £1,153,524 grants were made from the expendable endowment funds for the year (2024 £1,586,292).

## Endowment Funds

The Trustees have authorised a disbursement totalling £1,227K from the endowment funds, which includes 3.5% of the primary balance of the Expendable Endowment funds at the start of the year; fixed grants from other funds, such as the Carew Shaw Endowment and additionally, £3k annually from smaller funds, typically valued under £100,000 enabling a gradual reduction in their balances. The endowment funds have experienced a growth rate of 5.4% over the past year.

## 19 Expendable Endowment Funds

|                                   | Balance at 1<br>October<br>2024 | Capital<br>Additions | Expenditure | Transfers | Gains /<br>(losses)<br>& Fund<br>charges | Balance at<br>30<br>September<br>2025 |
|-----------------------------------|---------------------------------|----------------------|-------------|-----------|------------------------------------------|---------------------------------------|
|                                   | £                               | £                    | £           | £         | £                                        | £                                     |
| 1. Main Fund - 38 funds           | 6,374,941                       | 102,465              | 48          | (328,949) | 365,389                                  | 6,513,894                             |
| 2. Polonsky Fund                  | 133,552                         | -                    | -           | -         | (9,500)                                  | 124,052                               |
| 3. Archie Sherman Fund            | 45,460                          | -                    | -           | (25,000)  | 2,644                                    | 23,104                                |
| 4. Joels Fund                     | 1,321,909                       | -                    | -           | (39,160)  | 55,426                                   | 1,338,175                             |
| 5. Gestetner Fund                 | 662,280                         | -                    | -           | (19,619)  | 27,769                                   | 670,430                               |
| 6. BFHU Research & Teaching       | 2,141,345                       | -                    | -           | (28,672)  | 73,001                                   | 2,185,674                             |
| 7. BFHU Scholarship & Student Aid | 6,411,096                       | 447                  | -           | 30,547    | 226,962                                  | 6,669,052                             |
| 8. Main fund – 41 Funds           | 6,346,866                       | 1,050                | -           | (163,633) | 266,116                                  | 6,450,399                             |
| 9. Emily Erskine Fund             | 4,131,533                       | 13,066               | -           | (121,767) | 173,230                                  | 4,196,062                             |
| 10. Carew Shaw Fund               | 9,101,277                       | -                    | -           | (53,883)  | 310,256                                  | 9,357,650                             |
| 11. Porjes Fund                   | 71,981                          | -                    | (48)        | 214       | 3,016                                    | 75,163                                |
| 2025 Total                        | 36,742,240                      | 117,028              | -           | (749,922) | 1,494,309                                | 37,603,655                            |

The gains and fund charges column above reflects investment gains net of investment management fees of £210,052 (2024: £197,250), which are presented gross in the Statement of Financial Activities and within expenditure on raising funds. The gross gain per the SOFA of £1,704,361 less investment management fees of £210,052 reconciles to the net gains of £1,494,309 shown in this note.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

## Expendable Endowment Funds

|                                   | Balance at 1<br>October<br>2023 | Capital<br>Additions | Expenditure | Transfers   | Gains /<br>(losses)<br>& Fund<br>charges | Balance at<br>30<br>September<br>2024 |
|-----------------------------------|---------------------------------|----------------------|-------------|-------------|------------------------------------------|---------------------------------------|
|                                   | £                               | £                    | £           | £           | £                                        | £                                     |
| 1. Main Fund - 38 funds           | 5,203,091                       | 891,827              | 49          | (533,478)   | 813,452                                  | 6,374,941                             |
| 2. Polonsky Fund                  | 116,802                         |                      | -           | -           | 16,750                                   | 133,552                               |
| 3. Archie Sherman Fund            | 63,485                          | -                    | -           | (25,000)    | 6,975                                    | 45,460                                |
| 4. Joels Fund                     | 1,215,838                       | -                    | -           | (38,315)    | 144,386                                  | 1,321,909                             |
| 5. Gestetner Fund                 | 609,138                         | -                    | -           | (19,196)    | 72,338                                   | 662,280                               |
| 6. BFHU Research & Teaching       | 1,959,395                       | -                    | -           | (24,888)    | 206,838                                  | 2,141,345                             |
| 7. BFHU Scholarship & Student Aid | 6,007,155                       | 250                  | -           | (239,112)   | 642,803                                  | 6,411,096                             |
| 8. Main fund – 41 Funds           | 5,815,530                       | 7,454                | -           | (166,736)   | 690,618                                  | 6,346,866                             |
| 9. Emily Erskine Fund             | 3,786,994                       | -                    | -           | (105,182)   | 449,721                                  | 4,131,533                             |
| 10. Carew Shaw Fund               | 8,272,654                       | -                    | -           | (50,437)    | 879,060                                  | 9,101,276                             |
| 11. Porjes Fund                   | 64,285                          | -                    | (49)        | 116         | 7,628                                    | 71,981                                |
| 2024 Total                        | 33,114,368                      | 899,531              | -           | (1,202,227) | 3,930,568                                | 36,742,238                            |

1. The Main Expendable Endowment Fund comprises 38 individual funds that distribute a fixed amount annually. These distributions serve various purposes aligned with the charitable objectives of the organisation.

2. The Polonsky Endowment Fund is a gift of shares from the Polonsky Foundation. This fund generates income used specifically to fund grants made to the Hebrew University on behalf of the foundation. The grants serve designated purposes in line with the foundation's philanthropic mission.

3. The Archie Sherman Fund was established for the purposes of supporting the Centre for Transgenic Organisms at the Hebrew University, as well as the cost of generating voluntary income for the British Friends.

4. The Joels Fund, i.e., the Jacob and Lena Memorial Foundation for Innovation in the Life and Medical Sciences, is an endowment for the establishment and support for a visiting chair, a senior lectureship for excellence and a research fund.

5. The Gestetner Fund is utilised to support the operating budget of the Harry S Truman Research Institute for the advancement of peace.

6-7 The small endowment funds have been amalgamated into larger pools of Research and Teaching and Scholarship endowment funds to enhance flexibility in supporting the Hebrew University's research and scholarship initiatives. The distributions made from these funds are under the discretion of the Hebrew University.

8. The main variable distribution endowment Fund comprises 41 individual funds and sends variable sums to the Hebrew University, supporting diverse needs.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

9. The Emily Erskine Fund was created to establish a Research Foundation in Physics or Mathematics fostering advanced study and innovation.

10. The Carew Shaw Fund was established to fund a Distinguished Faculty Award in medicine and to fund scholarships preferably within the Faculty of Medicine, in memory of Edward Carew Shaw.

11. The Porjes Fund was established for supporting the general charitable purposes of the Friends, with a priority on promoting the ongoing legacies campaign.

## 20 Analysis of net assets between funds – As at 30 September 2025

|                                   | Unrestricted<br>funds | Restricted<br>funds | Expendable<br>Endowment<br>funds | Total             |
|-----------------------------------|-----------------------|---------------------|----------------------------------|-------------------|
|                                   | £                     | £                   | £                                | £                 |
| Tangible fixed assets             | 3                     | -                   | -                                | 3                 |
| Fixed asset investments           | 3,603,851             | -                   | 37,603,655                       | 41,207,506        |
| Current assets                    | 44,973                | 1,098,820           | -                                | 1,143,793         |
| Current / non-current liabilities | (529,291)             | -                   | -                                | (529,291)         |
| <b>Total 2025</b>                 | <b>3,119,536</b>      | <b>1,098,820</b>    | <b>37,603,655</b>                | <b>41,822,011</b> |

## Analysis of net assets between funds – As at 30 September 2024

|                                   | Unrestricted<br>funds | Restricted<br>funds | Expendable<br>Endowment<br>funds | Total             |
|-----------------------------------|-----------------------|---------------------|----------------------------------|-------------------|
|                                   | £                     | £                   | £                                | £                 |
| Tangible fixed assets             | 3                     | -                   | -                                | 3                 |
| Fixed asset investments           | 2,748,985             | -                   | 36,742,240                       | 39,491,225        |
| Current assets                    | 1,723,533             | 886,737             | -                                | 2,610,270         |
| Current / non-current liabilities | (1,288,180)           | -                   | -                                | (1,288,180)       |
| <b>Total 2024</b>                 | <b>3,184,341</b>      | <b>886,737</b>      | <b>36,742,240</b>                | <b>40,813,318</b> |

## 21 Related party transactions

Other than Trustee and Key Management Personnel transactions detailed in Note 8.

The total amount of donations made by the Trustees was £257,230 (2024: £235,786). The only other related party transaction in the current year was £42,175 paid to Tony Page Limited in advance for the Gala dinner catering (2024: £0).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2025

22 Reconciliation of net income to net cash flow from operating activities

|                                         | 2025<br>£   | 2024<br>£   |
|-----------------------------------------|-------------|-------------|
| Net income for the year                 | 1,008,693   | 4,894,366   |
| Dividends receivable                    | (587,735)   | (559,277)   |
| Interest receivable                     | (91,944)    | (71,886)    |
| (Gains) / losses on investments         | (1,704,361) | (4,127,818) |
| (Increase) / decrease in debtors        | 1,800,465   | (930,930)   |
| Increase / (decrease) in creditors      | (758,889)   | 203,892     |
| Investment managers fees                | 210,052     | 197,250     |
| Net cash flow from operating activities | (123,719)   | (394,403)   |