

Charity Registration No. 228382

**THE WOLFSON FAMILY CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

THE WOLFSON FAMILY CHARITABLE TRUST

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THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

ADMINISTRATIVE DETAILS

Trustees

Hon Mrs Laura Wolfson Townsley (Chairman)
 Dame Janet Wolfson de Botton DBE
 Sir Ian Gainsford
 Mr Martin Paisner CBE
 Sir Michael Pepper FRS FREng
 Sir Bernard Rix
 Lord Turnberg MD FRCP
 Hon Mrs Elizabeth Wolfson Peltz
 Hon Mrs Alexandra Wolfson Halamish

Directorate

Paul Ramsbottom OBE MA MSt - Chief Executive

Reference and administrative details

Registered office:

8 Queen Anne Street
 London, W1G 9LD

Registered Charity No:

228382

Professional Services

Bankers

Barclays Bank Plc.
 Charities Team
 1 Churchill Place
 London E14 5HP

Solicitors

Payne Hicks Beach
 10 New Square
 Lincoln's Inn
 London WC2A 3QG

Auditors

UHY Hacker Young LLP
 Quadrant House
 4 Thomas More Square
 London
 E1W 1YW

Principal Investment Managers

Cazenove Capital
 1 London Wall Place, London Wall
 London EC2Y 5AU

Website

www.wfct.org

THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Reporting by Charities: Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Wolfson Family Charitable Trust is a charitable foundation established by a Trust Deed dated 30 March 1958 whose aims are the advancement of science, health, education and the arts and humanities. A large proportion of the assets derive from the realisation of the Trust's involvement in the Paz Oil Company of Israel. The trustees therefore consider it appropriate to make a majority of grants for these purposes to leading Israeli institutions.

At the end of the year the Board of trustees comprised four family trustees and five trustees with medical, scientific and legal expertise. The range of skills represented on the trustee Board is kept under review and appointments to the Board are made by the trustees, advised by the Nominations and Governance Committee. The Nominations and Governance Committee also advises on the remit and composition of expert panels or committees and any related governance matters.

Board meetings are held once or twice each year. The Board decides matters of strategy and overall policy, determines the priorities and allocations for grants programmes, sets budgets and authorises grant awards. The Board is advised by an Advisory Committee in Israel, drawn from leading academic and medical experts. It is also served by a number of panels and committees — shared with the Wolfson Foundation — which make recommendations on grant-making, risk management and investment policies. Panels are comprised of specialists in particular fields, as well as trustees.

The induction process for newly-appointed trustees and panel members comprises meetings with Board members and the chief executive, and covers governance, investment and grant-making policies. Documentation provided for new trustees includes copies of the Trust Deed, relevant minutes and recent annual reports and accounts.

A full list of members of the committees and expert panels is available on the Wolfson Foundation website: www.wolfson.org.uk/about/panel-committee-membership/.

Risks and uncertainties

The trustees have reviewed the major strategic, operational and financial risks which impact on the work of the Trust and, on professional advice, noted that systems have been established to mitigate the exposure to them. The trustees review this matter each year and take action required arising from the assessment and recommendations of the Risk & Audit Committee. The trustees consider the two main areas of risk for the Trust to be as follows:

(1) *Investment risk.* The trustees, supported by a dedicated Investment Committee which meets regularly, take a long-term approach to their investment strategy and aim to deliver the investment objective within an acceptable level of risk. The committee was recently bolstered by the recruitment of two additional members.

(2) *The reputational risk of making awards to inappropriate recipients.* The trustees are advised in their decision-making by dedicated panels of experts, by independent peer reviewers and by a professional team of staff. In addition, regular visits are made by staff and trustees to projects. Grants are paid in arrears on receipt of evidence of appropriate expenditure. A framework for monitoring and evaluation has been established. Full details of all expert panels are available on the website.

THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Conflicts of interests

Where a trustee holds an active post, whether honorary or otherwise, at an applicant organisation, then that trustee takes no part in the decision on whether to make an award. Similarly, committee/panel members with a conflict of interest take no part in making recommendations relating to organisations in which they (or relatives or business partners) have an involvement. A register of interests is maintained by the Wolfson office.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

This section presents highlights across key funding areas in the past year. There is more information about the work of the Trust on [the website](#), and a full list of grants awarded in the year is available in note 17 below.

The objectives of the Trust, through its grant-making, are the advancement of science and medicine, health, education, the arts and humanities. The trustees have complied with section 17 (5) of the 2011 Charities Act, having due regard for the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, when setting the grant making policy and in making awards. One measure of the public benefit generated by the Trust is demonstrated by the list of projects supported (see note 17).

The Trust pursues its objectives through funding outstanding projects across the range of its areas of interest, usually by support for buildings or equipment. Three factors continue to influence trustees in their decision-making. First, trustees aim to support excellence, both existing and potential. Secondly, they attempt to identify and support important areas that are under-funded. Thirdly, applicants are encouraged to use Wolfson funds as a catalyst, so that the Trust's funding can lever additional support. The impact of the Trust's funding is monitored through regular reports on projects provided by recipients during the lifetime of a grant and by visits undertaken by trustees, Advisory Committee members and staff.

Grant-making process and policy

Trustees make awards once or twice each year and are advised by the Advisory Committee in Israel in addition to expert panels which meet before the main Board meetings. As well as assessing the merits of the applicants' proposals and their congruence with the Trust's aims and priorities, trustees also consider: the anticipated outcome of the project (including public benefit); financial viability; value for money and adequate provision for ongoing costs and maintenance.

There are four main funding areas: Science and Medicine, Education, Arts and Humanities and Health. Awards for Israeli universities and hospitals are normally made under the umbrella of designated programmes which operate by invitation only to relevant organisations-

Applications are assessed by expert reviewers, and applicants are given an opportunity to respond to queries raised during the review process.

The Trust made grants in the year totalling some £1.5 million.

The year's grant-giving was successful in that, on the advice of external experts, excellent projects in a number of priority areas were funded. Given the nature of the capital investment, it is too early to assess the long-term benefits of projects funded. To outline the longer term impact of funding, a publication and video - <https://www.wfct.org/about> - was produced by the Advisory Committee Israel for the 60th anniversary of the Trust.

The unrestricted funding provided in 2020-21 through the Covid-19 Support Fund proved invaluable to the many organisations supported – helping them through the difficult months of the pandemic and allowing them to plan for an uncertain future. We continue to receive reports from these organisations on the important impact of this funding.

THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Science and Medicine

The key investment during the year was for a national programme across eight Israeli hospitals to support the purchase of equipment that will underpin a broad range of clinical research.

The programme followed the existing successful pattern of the Trust's funding in Israel with the Advisory Committee in Israel, forming a specialist sub-committee for the purpose. A prerequisite for much contemporary top-quality research – in Israel, as elsewhere – is access to cutting-edge equipment. Finding support for this expensive equipment is often the most challenging part of the funding ecosystem. The Trust made these awards in partnership with the Wolfson Foundation.

Smaller projects across health, disability, arts & education

In the UK, funding was divided between capital infrastructure projects, programme grants and some unrestricted grants. The Trust continued its involvement in a joint initiative to support mental health and wellbeing within Jewish schools. A number of cultural heritage projects received funding, including the redevelopment of the National Holocaust Centre and Museum in Nottinghamshire.

The Trust also continued its programme for smaller grants in Israel, again divided between capital infrastructure and unrestricted funding. This included in the year a number of arts organisations, ranging from the Jerusalem Academy of Music & Dance to Gesher Theatre.

FINANCIAL REVIEW

The trustees have prepared accounts in accordance with current statutory requirements, the Trust Deed and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)). The Trust recorded a negative return on the fund's assets of £0.16 million (2021/22: a positive return of £4.3 million) of which income net of fees was £0.99 million (2021/22: £0.87 million) and valuation losses were £1.15 million (2021/22: gains of £3.4 million). The portfolio of investments and cash held on deposit had a total value of £45.4 million at 31 March 2023 (2022: £47.1 million). The negative return in the year reflected struggling international markets, although valuations improved from the beginning of the calendar year 2023.

Income is applied to the charitable aims of the Trust as described elsewhere in this report. Grants awarded (net of relinquished grants) during the year were £1.5 million (2021/22: £1.5 million). The trustees hold deposits, gilts and other bonds to cover the Trust's current commitments.

The Trust's net assets are held in unrestricted funds as the trustees have power to distribute both income and capital. The Trust has shared objectives and joint administration with The Wolfson Foundation, registered charity number 1156077 and a company limited by guarantee (8927040), at 8 Queen Anne Street, London, W1G 9LD.

Investment policy and performance

The Trust is managed based on existing in perpetuity and hence the Trust has the objective of maintaining the portfolio's real purchasing power after inflation over time. Trustees allocate funding on a total return (rather than income) basis.

The long-term investment objective is an average annual total return of UK CPI + 4% (changed from UK RPI + 4% in the year ended 31 March 2020). The trustees aim to distribute 4% of the fund on an annual basis. The calculation of the distribution is based on the average portfolio value over the last five years.

THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The asset allocation within the portfolio is arranged accordingly, taking advantage of the Trust's long-term investment horizon. Policies and investment allocations are continually reviewed by the Investment Committee and trustees. Trustees review the investment strategy with the Investment Committee and fund managers (who are signatories to the UN Principles for Responsible Investment), in order to ensure that (1) the Trust can achieve or outperform its target return in the long term; and (2) investment decisions made by our fund managers are taken in a socially responsible manner and in accordance with Wolfson's core principles. Responsible investment underpins the investment strategy and trustees have a policy of not investing directly in tobacco companies or fossil fuel extractors.

The Investment Committee is responsible to the trustees for investment policy and monitoring the portfolio. Committee members are available to report to the trustees at Board meetings. Trustees and the Risk and Audit Committee review the terms of the Investment Committee mandate.

The Trust's entire portfolio has been restructured in the last five years in line with the trustees' investment objective. The performance of the portfolio is monitored by the trustees and the Investment Committee.

Reserves policy

The total net funds of the Trust as at 31 March 2023 stood at £42.4 million, all represented by an expendable endowment fund.

As stated above, in the *Investment policy and performance* section, the trustees aim to distribute 4% of the fund on an annual basis in grants and other expenditure. The trustees consider it prudent to have liquid assets within investments to cover a significant proportion of planned expenditure. They have agreed that a target of 8% of the value of the investments portfolio (currently £3.6 million) should be retained in a combination of cash and short-dated gilts.

As at 31 March 2023, cash and gilts in the portfolio totalled £7.2 million (16% of the total), above this target. The trustees consider that reserves are available at a level which enables them to plan with confidence for the future.

PLANS FOR THE FUTURE

During 2023-24, trustees will consider a major programme of support for equipment at Israeli universities.

THE WOLFSON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the trustees are aware, there is no relevant audit information of which the Trust's auditors are unaware. Additionally, the trustees believe they have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the trustees on 12 October 2023 and signed on their behalf by:



Hon. Laura Wolfson Townsley
Chairman

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE WOLFSON FAMILY CHARITABLE TRUST**

Opinion

We have audited the financial statements of the Wolfson Family Charitable Trust ('the Charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 statement is appropriate.

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

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

Other information

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

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE WOLFSON FAMILY CHARITABLE TRUST**

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE WOLFSON FAMILY CHARITABLE TRUST**

Based on our understanding of the charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, 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 the Charities Act 2011.

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 the valuation of the charity's investments, inflated revenue and the charity's net income for the year.

Audit procedures performed to assess the valuation of the charity's investments included: confirmation of the valuation of investment balances from the investment managers and a review of the most recent Service Organisation Controls Reports in relation to those investments. We obtained the most recent audited financial statements for the assets under management by Oxford University Endowment Management Limited and the various assets managed by JP Morgan to confirm that there were no indicators of impairment and that they were prepared on a going concern basis.

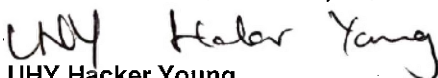
To assess inflated revenue and the charity's net income for the year audit procedures performed included: a review of the financial statement disclosures to underlying supporting documentation, review of correspondence with legal advisors, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <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 charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



UHY Hacker Young
Chartered Accountants
Statutory Auditor

16 October 2023

UHY Hacker Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE WOLFSON FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31 March 2023 £'000	31 March 2022 £'000
Income:			
Investments	4	1,087	950
		<u> </u>	<u> </u>
<i>Total income</i>		<u>1,087</u>	<u>950</u>
		<u>=====</u>	<u>=====</u>
Expenditure on:			
Raising funds (investment management fees)		98	84
		<u> </u>	<u> </u>
Charitable activities			
Science and medicine		1,036	1,036
Arts and humanities		269	235
Health and disability		235	289
Education		52	77
		<u> </u>	<u> </u>
Total charitable activities	5	1,592	1,637
		<u> </u>	<u> </u>
<i>Total expenditure</i>		<u>1,690</u>	<u>1,721</u>
		<u>=====</u>	<u>=====</u>
Other recognised gains and losses:			
Net realised and unrealised (losses) / gains on disposal and revaluation of:			
- Investment assets	10	(974)	3,491
- Foreign exchange		(177)	(92)
		<u> </u>	<u> </u>
<i>Total recognised gains and losses</i>		<u>(1,151)</u>	<u>3,399</u>
		<u>=====</u>	<u>=====</u>
<i>Net movement in funds</i>		<u>(1,754)</u>	<u>2,628</u>
Reconciliation of funds			
Total funds brought forward		44,191	41,563
		<u> </u>	<u> </u>
Total funds carried forward		<u>42,437</u>	<u>44,191</u>
		<u>=====</u>	<u>=====</u>

The net realised and unrealised losses of £973,902 (2022 gains: £3,491,676) reflect a decrease in market values. The realised gain on listed investment disposals by reference to their acquisition cost was £1,192,182 (2022: £1,981,222).

All recognised gains and losses have been included in the Statement of Financial Activities and are derived from the continuing activities of the charitable trust.

THE WOLFSON FAMILY CHARITABLE TRUST

BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	31 March 2023 £'000	31 March 2022 £'000
Fixed assets			
Investments	10	42,843	44,303
Current assets			
Investments	10	2,566	2,791
Debtors	11	86	92
Cash at bank		13	13
		<u>2,665</u>	<u>2,896</u>
Creditors falling due within one year	12	(2,292)	(2,260)
Net current assets		<u>373</u>	<u>636</u>
Total assets less current liabilities		<u>43,216</u>	<u>44,939</u>
Creditors falling due after one year	13	(779)	(748)
Total net assets		<u>42,437</u> =====	<u>44,191</u> =====
Funds			
Expendable endowment fund		<u>42,437</u> =====	<u>44,191</u> =====

The financial statements on pages 10 to 23 were approved by the trustees on 12 October 2023 and signed on their behalf by:

Hon. Laura Wolfson Townsley
Chairman

Paul Ramsbottom
Chief Executive

THE WOLFSON FAMILY CHARITABLE TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31 March 2023 £'000	31 March 2022 £'000
Cash used in operating activities	14	(1,798)	(1,777)
Cash flows from investing activities			
Investment income	4	1,087	950
Investment costs	10	(15,981)	(12,427)
Investment proceeds	10	16,467	12,893
Decrease in current asset investments	10	225	361
Net cash provided by investing activities		1,798	1,777
Change in cash at bank		-	-
Cash at bank brought forward		13	13
Cash at bank carried forward		13	13

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

The particular accounting policies adopted by the trustees are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)); the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); and the Charities Act 2011.

The Wolfson Family Charitable Trust meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention, with the exception that investments are included at market value.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Report) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102).

The most significant areas of adjustments and key assumptions that affect items in the accounts are to do with estimating the liability from multi-year grant commitments (see note 9 for more information). With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of the investments.

The financial statements have been prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £'000.

(b) Going concern

The trustees consider that as the finances are based on a long-term endowment there are no material uncertainties about the Trust's ability to continue as a going concern.

(c) Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Where income has related expenditure, the income and related expenditure are reported gross in the Statement of Financial Activities.

(d) Resources expended

Expenditure is included on an accruals basis.

Grant awards and other liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

(e) Allocation of management and administration expenses

Management and administration expenses are allocated between charitable activity and governance. Management and administration expenses relating to grant making activities are apportioned evenly amongst the four grant making categories.

The allocation of management and administration expenses is analysed in note 6.

(f) Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice, including the statutory audit and legal fees.

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

(g) Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the expendable endowment fund.

(h) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price where available.

Quoted investments

Quoted investments comprise publicly quoted, listed securities including shares, bonds and units. Quoted investments are stated at fair value at the balance sheet date. The basis of fair value for quoted investments is equivalent to the market value, using the bid-price. Asset sales and purchases are recognised at the date of trade.

Unquoted investments

Unquoted investments are valued at the best estimate of fair value and comprise of private equity which is valued externally by their fund managers and direct investments in unit trusts, the majority of which are made with co-investors. Management use the co-investor valuations as a key input to determine the fair value.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Cash and 'cash-like' securities with high liquidity are managed as part of a portfolio of investment assets and are included as current assets.

(i) Gains and losses on investments

Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value (or purchase cost if acquired in the year). Unrealised gains and losses on investments are calculated as the difference between the closing mid-market value at the year end and opening mid-market value (or purchase cost if acquired in the period).

Realised and unrealised gains and losses on investments are not separated in the statement of financial activities and are recognised in the statement of financial activities as they arise.

2. Key sources of estimation uncertainty and significant judgements made in applying the accounting policies

The preparation of the financial statements requires the application of certain estimates and judgements. The material areas of either estimation or judgement are set out below. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Each of these areas are considered by the Risk and Audit Committee based on information prepared by the Finance team.

Unquoted investments

Investments in unquoted investments are valued at the best estimate of fair value. For these investments fair value is estimated using a range of methodologies including price of recent investment and public comparables.

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. Maintaining the Wolfson Family Charitable Trust for the longer term

3.1 Preserving the real value of the fund

In order to achieve a proper balance between the interests of current and future beneficiaries, the trustees have determined that they are aiming to preserve the value of the expendable endowment fund broadly in real terms, and that investment returns in excess of the amount required to preserve the real value of the fund may be expended in furtherance of the Trust's objectives.

The net value of the fund is the residual sum, dependent upon the amounts and timing of both income and expenditure.

	2019	2020	2021	2022	2023
RPI at the Trust's year end	111.8	-	-	-	-
CPI at the Trust's year end	-	113.5	114.6	121.7	132.5

From April 2019, CPI has been applied to the adjusted RPI figure at this date as the formal investment target changed near the year ended 31 March 2019 from RPI + 4% to CPI + 4%.

	£'000	£'000	£'000	£'000	£'000
Actual expendable endowment fund	35,834	32,853	41,563	44,191	42,437
Target expendable endowment fund	36,138	36,678	37,050	39,346	42,825
(Decrease) / increase in fund in real terms relative to March 2018	(304)	(3,825)	4,513	4,845	(388)
	=====	=====	=====	=====	=====

4. Investment income

	2023 £'000	2022 £'000
Dividends - UK Investments	74	62
Dividends - Overseas Investments	257	237
Interest - UK Investments	26	-
Interest - Overseas Investments	58	46
Interest - Cash Deposits	44	-
Distribution - Oxford University Endowment Management Ltd.	628	605
	=====	=====
	1,087	950

4.1 Investment performance

In setting the objectives against which the performance of the investment managers is measured, the trustees are primarily concerned with the total return on investments, namely the sum of investment income (note 1(c) above) and gains and losses on investments (note 1(h) above).

Although these constituent elements are required to be shown separately in the statement of financial activities, no importance attaches to how much of the total return is represented by investment income and how much is represented by gains or losses on investments, and the investment managers are not set separate targets for these amounts. This approach is termed a total return approach.

The long-term investment objective was until March 2019 an average annual total return of UK RPI + 4%. This target was changed to UK CPI + 4%, and this has been reflected in calculations from the previous financial year.

A summary of investment performance for the period since the total return approach was adopted is set out below.

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4.1 Investment performance (continued)

Changes in the investment portfolio

		2019	2020	2021	2022	2023	2019 - 2023
		£'000	£'000	£'000	£'000	Total £'000	£'000
Opening value of investments	A	37,628	38,871	35,793	44,430	47,094	37,628
Investment income		1,118	992	869	950	1,087	5,016
Investment (losses) / gains		1,814	(2,219)	9,525	3,399	(1,151)	11,368
Investment management fees		(41)	(69)	(77)	(84)	(98)	(369)
Total return	B	2,891	(1,296)	10,317	4,265	(162)	16,015
Amounts withdrawn from portfolio (note (i))		(1,648)	(1,782)	(1,680)	(1,601)	(1,523)	(8,234)
Closing value of investments		38,871	35,793	44,430	47,094	45,409	45,409

(i) These amounts are on a "cash basis" - being the monies withdrawn from the investment portfolio in the period in order to pay grants and disburse other expenditure.

Investment returns compared to the Trust's objective

		2019	2020	2021	2022	2023	2019 - 2023 Average
Actual return % (B/A)		7.68%	(3.35%)	28.82%	9.60%	(0.34%)	8.51%
Target return % (RPI + 4%)	C	6.99%	-	-	-	-	-
Target return % (CPI + 4%)	C	-	5.50%	5.01%	10.20%	12.84%	8.11%
Return (below) / in excess of target %		0.69%	(8.85%)	23.81%	(0.60%)	(13.18%)	(0.40%)
		=====	=====	=====	=====	=====	=====
		2019 £'000	2020 £'000	2021 £'000	2022 £'000	2023 £'000	Total £'000
Actual return £'000	B	2,891	(1,296)	10,317	4,265	(162)	16,015
Target return £'000 (C x A)		2,632	2,138	1,794	4,531	6,047	17,142
Return (below) / in excess of target £'000		259	(3,434)	8,523	(266)	(6,209)	1,127
		=====	=====	=====	=====	=====	=====

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Grant making activities

	Grants awarded (net) £'000	Allocated expenses (note 6) £'000	Total 2023 £'000	Total 2022 £'000
Science and medicine	1,000	36	1,036	1,036
Education	17	35	52	77
Health and disability	199	36	235	289
Arts and humanities	233	36	269	235
	<u>1,449</u>	<u>143</u>	<u>1,592</u>	<u>1,637</u>
	=====	=====	=====	=====

The list of individual grants made during the year is set out in note 17. Grants awarded are net of relinquished grants, see note 9.

The total management and administration expenses are apportioned evenly amongst the grant making activities. Significant aspects of the grant activity during the year are described on pages 3 and 4 of the trustees' report.

5.1 Charitable expenditure

The trustees aim to distribute approximately 4% of the fund, including administrative costs, on an annual basis. The value used to calculate the normal target distribution is the average of the last five years' investment portfolio value.

	2019 £'000	2020 £'000	2021 £'000	2022 £'000	2023 £'000	2019 - 2023 £'000
Actual charitable expenditure (note (i))	1,586	1,684	1,607	1,637	1,592	8,106
Target charitable expenditure	1,501	1,491	1,567	1,631	1,694	7,884
Expenditure in excess of target	<u>85</u>	<u>193</u>	<u>40</u>	<u>6</u>	<u>(102)</u>	<u>222</u>
	=====	=====	=====	=====	=====	=====

- (i) These amounts are on an "accruals basis", meaning that grants are included in the year of award, as described in note 1(d). The figure for 2021 excludes designated expenditure which was funded separately by a donation.

6. Management and administration expenses

	Governance costs £'000	Grant making activities £'000	Total 2023 (Note 5) £'000	Total 2022 £'000
Consultancy fees	-	10	10	10
Auditors' remuneration for audit services	15	-	15	7
Auditors' remuneration for other services	18	-	18	21
Legal fees	3	-	3	8
Staff costs (see note 8)	-	96	96	95
Other administrative expenses	-	1	1	-
	<u>36</u>	<u>107</u>	<u>143</u>	<u>141</u>
	=====	=====	=====	=====

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Management and administration expenses (continued)

The governance costs comprise costs of running the Trust and planning for future developments, including audit fees, legal advice for the trustees and costs of complying with constitutional and statutory requirements, such as trustees' meetings, the preparation of accounts and satisfying public accountability.

The costs relating to grant making activity represent costs incurred in assessing applications, administration of the grants awarded and post grant monitoring.

Staff costs cover salary and other costs paid in respect of part time employees, shared with the Wolfson Foundation, engaged during the year (see note 8). No staff costs are allocated to governance costs as the amount of related activity is immaterial compared to the grant making activity.

7. Trustees' remuneration

No fees are paid to trustees for their services as board members. During the year, expenses amounting to £1,390 (2022: £Nil) were incurred by the trustees.

As allowed by the trust deed, consultancy fees of £2,500 were paid to each of Lord Turnberg and Sir Michael Pepper (2022: £2,500 each to Lord Turnberg and Sir Michael Pepper) in connection with their work undertaken in advising on applications to the Wolfson Family Charitable Trust. Trustees who are family members did not receive any remuneration.

8. Staff costs

During the year there were 4 part time employees.

	31 March 2023 £'000	31 March 2022 £'000
Salaries	77	77
Social security costs	11	10
Other pension costs	8	8
	<hr/>	<hr/>
	96	95
	=====	=====

The average number of part time employees, shared with Wolfson Foundation, employed throughout the year was 4 (2022: 4). During the year, one employee received emoluments between £80,000 and £90,000.

The total employment benefits, including employer pension contributions of the key management personnel, were £89,760 (2022: £85,700). This total does not include consultancy fees paid to trustees (please see note 7 above).

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Grants awarded for future payment

Grants awarded by the trustees for future payment at 31 March 2023 total £3,056,491 (2022: £2,991,632) as follows:

	At 31 March 2022 £'000	Grants awarded during the year £'000	Grants paid during the year £'000	Grants relinquished & adjusted £'000	At 31 March 2023 £'000
Science and medicine	2,307	1,000	(921)	-	2,386
Education	221	32	(50)	(15)	188
Health and disability	145	200	(150)	(1)	194
Arts and humanities	319	233	(264)	-	288
	<u>2,992</u>	<u>1,465</u>	<u>(1,385)</u>	<u>(16)</u>	<u>3,056</u>
	=====	=====	=====	=====	=====
				31 March 2023 £'000	31 March 2022 £'000
Due within one year (note 12)				2,277	2,244
Due after more than one year (note 13)				779	748
				<u>3,056</u>	<u>2,992</u>
				=====	=====

A summary of grants awarded during the year is set out in note 17.

10. Investments

	Market value 2022 £'000	Purchase Costs £'000	Sale Proceeds £'000	(Losses) / Gains £'000	Market value 2023 £'000
Fixed asset investments					
Listed Investments	24,415	15,118	(16,163)	(1,002)	22,368
Other Investments					
Private Equity Funds	3,841	854	(295)	1,030	5,430
Oxford Endowment Fund	16,047	9	(9)	(1,002)	15,045
	<u>44,303</u>	<u>15,981</u>	<u>(16,467)</u>	<u>(974)</u>	<u>42,843</u>
Current asset investments					
Cash and Cash Equivalents	2,791				2,566
	<u>47,094</u>				<u>45,409</u>
	=====				=====
Total investment assets					

The historical cost of these investments as of 31 March 2023 was £39,611,979 (2022: £39,130,422).

THE WOLFSON FAMILY CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Debtors

	31 March 2023 £'000	31 March 2022 £'000
Accrued income	77	83
Sundry debtors	9	9
	<u>86</u>	<u>92</u>
	=====	=====

12. Creditors falling due within one year

	31 March 2023 £'000	31 March 2022 £'000
Grants payable (note 9)	2,277	2,244
Other creditors	15	16
	<u>2,292</u>	<u>2,260</u>
	=====	=====

13. Creditors falling due after one year

	31 March 2023 £'000	31 March 2022 £'000
Grants payable (note 9)	779	748
	=====	=====

THE WOLFSON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. Reconciliation of net movement in funds to net cash used in operating activities

	31 March 2023 £'000	31 March 2022 £'000
Net (outgoing)/incoming resources	(1,754)	2,628
Net losses/(gains) on investment assets	974	(3,491)
Investment income	(1,087)	(950)
Decrease/(increase) in debtors	6	(7)
Increase in creditors	63	43
	<hr/>	<hr/>
Net cash used in operating activities	(1,798)	(1,777)
	=====	=====

15. Joint administration

The Charity has shared objectives and joint administration with the Wolfson Foundation, registered charity number 1156077 and company registration number 08927040, at 8 Queen Anne Street, London W1G 9LD.

16. Related party transactions

During the year, fees of £3,000 (2022: £6,630) were paid in respect of legal services provided by Payne Hicks Beach of which Martin Paisner (Trustee) is a partner.

17. Grants awarded during the year

<u>Science and Medicine</u>	£
Awards were made for research equipment at the following Israeli Medical Centers:	
Tel Aviv Sourasky Medical Center, Israel	168,120
-Sequencing equipment and flow cell dock (joint grant with the Wolfson Foundation totalling £420,300)	
Hadassah Medical Center, Jerusalem, Israel	143,640
-Gamma camera (joint grant with the Wolfson Foundation totalling £359,100)	
Rabin Medical Center, Petah Tikva, Israel	143,640
-Tomographic imaging system (joint grant with the Wolfson Foundation totalling £359,100)	
Rambam Health Care Campus, Haifa, Israel	143,640
-CT simulator (joint grant with the Wolfson Foundation totalling £359,100)	
Chaim Sheba Medical Center, Ramat Gan, Israel	131,600
-Long read sequencing equipment (joint grant with the Wolfson Foundation totalling £329,000)	
Shaare Zedek Medical Center, Jerusalem, Israel	116,160
-Equipment for imaging, biobanking and sequencing (joint grant with the Wolfson Foundation totalling £290,000)	
Soroka Medical Center, Beer Sheva, Israel	92,000
-Neurological robot system (joint grant with the Wolfson Foundation totalling £230,000)	

THE WOLFSON FAMILY CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Grants awarded during the year (continued)	£
Edith Wolfson Medical Center, Holon, Israel	61,200
- Image-guided therapy system (joint grant with the Wolfson Foundation totalling £153,000)	
Total Science and Medicine (8 grants)	1,000,000
<u>Education</u>	
Jewish Training Academy for Girls Ltd, London N16	15,000
- Upgrade of IT facilities and equipment to deliver accredited vocational training programmes	
Prism, London W1	7,200
- Wolfson Jewish Education Fund	
Total Education (2 grants)	22,200
<u>Arts and Humanities</u>	
Central Synagogue, London W1	50,000
- Building repairs	
Gesher Theatre, Tel-Aviv, Israel	50,000
- Unrestricted funding	
Tower of David Museum, Jerusalem, Israel	50,000
- Accessibility improvements	
The Jerusalem Academy of Music and Dance, Israel	43,000
- New concert piano for recital hall	
The National Holocaust Centre and Museum, Laxton, Nottinghamshire	20,000
- Redevelopment (joint grant with the Wolfson Foundation totalling £70,000)	
Holocaust Centre North, Leeds	10,000
- New archive store at the University of Huddersfield	
Vertigo Dance Company, Jerusalem, Israel	10,000
- Unrestricted funding	
Worcester Civic Society	463
- Worcester Jewish community memorial plaque	
Total Arts and Humanities (8 grants)	233,463

THE WOLFSON FAMILY CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Grants awarded during the year (continued)	£
<u>Health and Disability</u>	
Partnerships for Jewish Schools, London NW4	60,000
- Schools Wellbeing Project (over three years)	
Ta'ir, Rehovot, Israel	50,000
- Unrestricted funding	
Cosgrove Care, Glasgow	25,000
-Refurbishment of two supported living accommodation sites (Dalmeny Avenue and Burnfield Road)	
Ezra U'Marpeh, London N16	15,000
-Medical equipment for loan to children and young people (particularly those suffering from severe allergies)	
Exceptional award	
GIFT, London NW4	50,000
- Food Bank Operations in the UK	
Total Health and Disability (5 grants)	200,000
Total grants awarded (23 grants)	1,465,663
Grants relinquished during the period	(15,634)
Total grants awarded (net)	1,450,029