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Charity number: 290371

THE BRITISH FRIENDS OF MIGDAL OHR

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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THE BRITISH FRIENDS OF MIGDAL OHR

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 8
Independent Auditors' Report on the Financial Statements	9 - 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 25

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

THE BRITISH FRIENDS OF MIGDAL OHR

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

Trustees	J Esfandi A Album R Haruni M Benisty P Mann (appointed 1 January 2025)
Charity registered number	290371
Principal office	PO Box 25 995 High Road London N12 8PW
Independent auditors	Adler Shine LLP Chartered Accountants Statutory Auditor Aston House Cornwall Avenue London N3 1LF

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 December 2025.

Objectives and activities

a. Policies and objectives

The Charity's principal purpose is to raise funds for Migdal Ohr's educational and welfare programmes in Israel for orphaned, neglected, underprivileged and at-risk children and young people.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

b. Grant-making policies

Migdal Ohr UK raises funds primarily to support the charitable programmes of Migdal Ohr in Israel. Grants are approved by the Trustees subject to appropriate due diligence, consideration of the purpose of the funding, any donor restrictions and appropriate oversight of the projects and programmes supported.

During 2025, Migdal Ohr UK, which also supports fundraising activities in France, continued to strengthen its fundraising through the June gift-matched campaign, major donor development, community fundraising, events, digital communications, social media and donor engagement. This continued investment has helped significantly broaden the charity's reach, with our community now comprising more than 1,000 active donors annually, helping to reduce reliance on a relatively small number of major supporters and providing a stronger foundation for future fundraising.

Some supporters choose to make their donations directly to Migdal Ohr Israel rather than through the UK or French entities, reflecting their country of residence, personal tax arrangements or philanthropic preferences. These donations do not therefore appear within Migdal Ohr UK's statutory income, although in many cases the relationships are developed and supported through the wider Migdal Ohr network.

c. Fundraising Environment and Challenges

The fundraising environment during 2025 remained particularly challenging and uncertain. The year was marked by continued geopolitical instability in the region, including the ongoing impact of the war in Israel following the events of 7 October 2023, as well as heightened tensions arising from the Iran conflict and related regional escalation during 2025.

These events contributed to a climate of uncertainty which affected donor confidence, timing of giving decisions, and the predictability of income flows. In particular, some donors adopted a more cautious approach to philanthropic commitments, while others prioritised emergency and immediate humanitarian needs over longer-term giving.

Despite these challenges, the charity continued to see strong engagement from its core supporter base and was able to maintain and grow its broader donor community. The Trustees recognise, however, that fundraising performance must be viewed in the context of this volatile and unpredictable external environment, which is expected to continue to influence donor behaviour in future periods.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Achievements and performance

a. Main achievements of the Charity

The Charity's principal achievement in 2025 was securing entitlement to a legacy of £2,700,000, which - together with the Charity's ordinary donation income - enabled grants of £1,907,700 to be made to Migdal Ohr Israel (2024: £350,000) in support of its network of schools, residential homes, youth villages and welfare programmes for orphaned and at-risk children. The Charity's active donor community also grew to more than 1,000 supporters during the year.

b. Key performance indicators

The Trustees and management monitor the following key performance indicators:

- Total donations and legacies (2025: £3,223,677; 2024: £589,236).
- Total donations and legacies, including donations made directly to Israel and France (2025: £3,438,748; 2024: £877,420).
- Fundraising expenditure and cost effectiveness (2025 cost of raising funds: £93,844, being 2.9% of total income.
- Grants approved and transferred (2025: £1,907,700; 2024: £350,000).
- Cash flow and unrestricted reserves (cash at bank at 31 December 2025: £107,488; total unrestricted funds: £1,304,101, comprising £1,200,000 designated for future Migdal Ohr Israel grant-making and £104,101 of general funds - see Financial review below).
- Growth and engagement of the active donor base (over 1,000 active donors during 2025).

c. Review of activities

During 2025, the Charity's fundraising supported Migdal Ohr's wider network of schools and pre-schools, residential schools, family-style homes, youth villages, day-care centres, youth clubs and services for orphaned and at-risk children. This includes education, accommodation, meals, therapeutic care, mentoring and practical family support.

d. Factors relevant to achieve objectives

The Charity's ability to achieve its objectives depends principally on the level and reliability of voluntary income, which in 2025 was affected by the fundraising environment described above, including the continued geopolitical instability affecting Israel and the region. It also depends on the effective transfer of grant funding to Migdal Ohr Israel and on the financial and other risks described in Principal risks and uncertainties below.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Achievements and performance (continued)

e. Fundraising activities and income generation

The Charity's principal fundraising and engagement activities during 2025 included:

- 12 February 2025 — a Tu B'Shvat event held at a supporter's home in Hendon.
- 17 February 2025 — a Cheese and Wine Tasting event held at a supporter's home in Temple Fortune.
- 7 March 2025 — a Young Professionals Shabbat Dinner held at South Hampstead Synagogue.
- 10 March 2025 — a Ladies' Lunch at Home Grown.
- 11 March 2025 — an event at the House of Lords.
- 31 March 2025 — an event held in Israel.
- 18 May 2025 — a Young Professionals Pilates event at South Hampstead Synagogue.
- 22–23 June 2025 — The Charity Extra matched-funding campaign, "Every Child Deserves a Home".
- Rosh Hashanah and other seasonal donor appeals.
- Digital fundraising, newsletters, social media and regular donor communications.
- Community fundraising initiatives.
- Major-donor cultivation and stewardship.
- Applications and approaches to charitable trusts and foundations.
- The continued development of the Young Professionals Committee and network.

f. Investment policy and performance

The Charity does not hold material investments. Surplus funds are held in bank accounts and, where appropriate, interest-bearing deposits, to maintain liquidity for operating costs and grant commitments.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six months' expenditure. The Trustees consider that reserves at this level will ensure that in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Total undesignated funds available at 31 December 2025 were £104,101 (2024: 298,136), representing approximately 4 months of non-grant expenditure, within the three-to-six month range set out above.

c. Material investments policy

See Investment policy and performance above.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

d. Principal risks and uncertainties

The principal risks and uncertainties facing the Charity, as identified by the Trustees, include:

- Volatility and concentration of voluntary income.
- Reliance on major donations and exceptional legacies.
- The geopolitical and security situation in Israel.
- Foreign-exchange and international transfer risks.
- Overseas grant-making, regulatory and reputational risks.
- Fraud and unauthorised-payment risks.
- Data-protection and cybersecurity risks.
- Increasing operating and supplier costs.

These risks are managed through the financial controls and risk management processes described below.

e. Financial risk management objectives and policies

The Trustees regularly review the Charity's financial position, budgets, cash flow, reserves, fundraising performance and material commitments. Actual income and expenditure are monitored against budget.

Material expenditure, grants and overseas transfers require appropriate approval and banking authorisation. Before grant funds are released, the Trustees consider the charitable purpose, available supporting information, donor restrictions and intended use of the funds. Communication and reporting from Migdal Ohr Israel support the Trustees' monitoring of the projects and programmes funded.

These risks are managed through budgeting, cash-flow and reserves monitoring, income diversification, Trustee approval of material commitments, due diligence, grant monitoring, payment controls, supplier reviews and the Charity's risk register.

f. Principal funding

The Charity's principal sources of funding are individual and major-donor gifts, charitable trusts and foundations, Gift Aid, fundraising events, community and digital appeals, matched-funding campaigns and legacies.

Structure, governance and management

a. Constitution

The British Friends of Migdal Ohr is a registered charity, number 290371, and is constituted under a Trust deed.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Board of Trustees is responsible for governance, strategic direction, financial oversight and compliance. The Trustees meet regularly to review the Charity's activities, financial performance, fundraising, risks, policies and grants.

Responsibility for day-to-day operations is delegated to the Chief Executive Officer, supported by staff, consultants and professional advisers. Annual budgets, material expenditure, significant grants and transfers, key policies and strategic decisions remain subject to Trustee approval.

d. Policies adopted for the induction and training of Trustees

New Trustees receive the Trust deed, the latest annual report and financial statements, relevant policies and information about the Charity's activities, finances and governance.

Their induction covers Trustee duties, public benefit, financial oversight, conflicts of interest, safeguarding, data protection and risk management. Trustees are encouraged to review Charity Commission guidance and undertake relevant training where required.

e. Pay policy for key management personnel

The Charity had no employees during the year ended 31 December 2025; operational functions were undertaken by freelance consultants, with overall governance resting with the unpaid Trustees. During 2026, two of these consultants became part-time employees.

The Trustees determine the remuneration of key management personnel, taking account of the responsibilities of the role, experience, the Charity's size and financial position, comparable charitable-sector roles, and the need to recruit and retain appropriately qualified people. Trustees receive no remuneration for their services.

f. Related party relationships

The British Friends of Migdal Ohr, Migdal Ohr France and Migdal Ohr Israel form part of the wider international Migdal Ohr network but are separately governed legal entities. They collaborate in support of the shared mission, but the Charity remains independently governed by its own Trustees.

During the year, £49,972 (2024: £23,287) was given by donors directly to Migdal Ohr France, and £165,099 (2024: £264,897) was given by donors directly to Migdal Ohr Israel, in each case as a result of fundraising activity undertaken by the Charity. These amounts were donor funds remitted directly to those entities, rather than expenditure incurred, or funds paid out, by the Charity itself.

Conflicts of interest are declared and managed through the Charity's governance procedures. No Trustee received any remuneration, benefits or expenses from the Charity during the year beyond what is already stated in the accounts (2024: £NIL).

g. Trustees' indemnities

There was no trustee indemnity insurance or qualifying third party indemnity provision in force during 2025.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Plans for future periods

During 2026, the Charity intends to apply available funds, including the legacy referred to above, through appropriately approved grants supporting Migdal Ohr's new music school as well as its educational, residential, therapeutic and welfare programmes.

Priorities include family-style residential provision, youth villages, schools and support for orphaned and at-risk children. The Charity will continue to develop major-donor, legacy, trust and foundation fundraising; community engagement; matched campaigns; fundraising events; and the Young Professionals network.

The Trustees will also review operating costs and supplier arrangements, strengthen financial and governance processes, and keep reserves, safeguarding, data protection, cybersecurity and risk management under regular review.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

Auditors

The auditors, Adler Shine LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:
Maurice Benisty
8FD4093B5DC3460...

M Benisty
Trustee
Date: 10/21/2026

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH FRIENDS OF MIGDAL OHR

Opinion

We have audited the financial statements of The British Friends of Migdal Ohr (the 'charity') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements 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.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

Auditors' responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we have:

- considered the nature of the industry and sectors, control environment and business performance;
- made enquiries of management about their own identification and assessment of the risk of irregularities;
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- undertaken appropriate sample based testing of bank transactions;
- identified and evaluated compliance with relevant laws and regulations and made enquiries of any instances of non-compliance;
- discussed matters among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

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 that compliance with 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. This description forms part of our Auditors' Report.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH FRIENDS OF MIGDAL OHR (CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Sonia Yeshin
453546E5B3C149D...

Adler Shine LLP
Chartered Accountants
Statutory Auditor
Aston House
Cornwall Avenue
London
N3 1LF

Date: 10/21/2026

Adler Shine LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

THE BRITISH FRIENDS OF MIGDAL OHR

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:				
Donations and legacies	3	**3,223,677**	**3,223,677**	*589,236*
Investments	4	**769**	**769**	*2,300*
Total income		**3,224,446**	**3,224,446**	*591,536*
Expenditure on:				
Raising funds	5	**93,844**	**93,844**	*129,455*
Charitable activities	8	**1,913,700**	**1,913,700**	*351,500*
Other expenditure	7	**210,937**	**210,937**	*188,616*
Total expenditure		**2,218,481**	**2,218,481**	*669,571*
Net movement in funds		**1,005,965**	**1,005,965**	*(78,035)*
Reconciliation of funds:				
Total funds brought forward		**298,136**	**298,136**	*376,171*
Net movement in funds		**1,005,965**	**1,005,965**	*(78,035)*
Total funds carried forward		**1,304,101**	**1,304,101**	*298,136*

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

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 £		2024 £
Current assets					
Stocks and work in progress		**1,610**		*5,250*	
Debtors	12	**1,212,307**		*3,237*	
Cash at bank and in hand		**107,488**		*291,149*	
		1,321,405		*299,636*	
Current liabilities					
Creditors: amounts falling due within one year	13	**(17,304)**		*(1,500)*	
Total assets less current liabilities			**1,304,101**		*298,136*
Total net assets			**1,304,101**		*298,136*
Charity funds					
Unrestricted funds					
Designated funds	15	**1,200,000**		-	
General funds	15	**104,101**		*298,136*	
Total unrestricted funds	15		**1,304,101**		*298,136*
Total funds			**1,304,101**		*298,136*

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
Maurice Benisty
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M Benisty
(Trustee)
Date: 10/21/2026

The notes on pages 16 to 25 form part of these financial statements.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(184,430)**	*(88,815)*
Cash flows from investing activities		
Income from investments	**769**	*2,300*
Net cash provided by investing activities	**769**	**2,300**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(183,661)**	**(86,515)**
Cash and cash equivalents at the beginning of the year	**291,149**	*377,664*
Cash and cash equivalents at the end of the year	**107,488**	*291,149*

The notes on pages 16 to 25 form part of these financial statements

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

The British Friends of Migdal Ohr is an unincorporated charity registered with the Charities Commission. Its registered office address is PO Box 25, 995 High Road, London, N12 8PW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The British Friends of Migdal Ohr meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£), which is the functional currency of the entity.

2.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

2. Accounting policies (continued)

2.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

General funds are unrestricted 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 particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Donations	523,677	**523,677**	*589,236*
Legacies	2,700,000	**2,700,000**	-
	3,223,677	**3,223,677**	*589,236*

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Bank deposit interest	769	**769**	*2,300*

5. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
General	41,517	**41,517**	*42,354*
IT costs	13,885	**13,885**	*2,697*
Events	18,166	**18,166**	*72,732*
Appeals	6,242	**6,242**	*6,136*
Travel	11,226	**11,226**	*2,647*
Marketing	2,808	**2,808**	*2,889*
	93,844	**93,844**	*129,455*

6. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £
Migdal Ohr Israel	1,907,700	**1,907,700**

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

6. Analysis of grants (continued)

	Grants to Institutions 2024 £	*Total funds 2024 £*
Migdal Ohr Israel	*350,000*	*350,000*

7. Other expenditure

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Consultancy fees	180,321	**180,321**	*173,116*
Bank charges	2,612	**2,612**	*3,217*
Professional fees	28,004	**28,004**	*12,283*
	210,937	**210,937**	*188,616*

8. Analysis of expenditure by activities

	Grant funding activities 2025 £	**Support costs 2025 £**	**Total funds 2025 £**
Charitable activities	1,907,700	6,000	**1,913,700**

	Grant funding activities 2024 £	*Support costs 2024 £*	*Total funds 2024 £*
Charitable activities	*350,000*	*1,500*	*351,500*

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	*Total funds 2024 £*
Governance costs	6,000	**6,000**	*1,500*

9. Auditors' remuneration

	2025 £	*2024 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**6,000**	-

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 December 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

11. Stocks

	2025 £	*2024 £*
Goods for resale	**1,610**	*5,250*

12. Debtors

	2025 £	*2024 £*
Due within one year		
Trade debtors	**10,479**	-
Other debtors	**18**	*2,058*
Prepayments and accrued income	**1,201,810**	*1,179*
	1,212,307	*3,237*

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

13. Creditors: Amounts falling due within one year

	2025 £	*2024* *£*
Trade creditors	**7,854**	-
Accruals and deferred income	**9,450**	*1,500*
	17,304	*1,500*

14. Financial instruments

	2025 £	*2024* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	**107,488**	*291,149*

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2025 £	Income £	Expenditure £	Balance at 31 December 2025 £
Unrestricted funds				
Designated funds				
Migdal Ohr Israel	**-**	**1,200,000**	**-**	**1,200,000**
General funds				
General Funds	**298,136**	**2,024,446**	**(2,218,481)**	**104,101**
Total Unrestricted funds	**298,136**	**3,224,446**	**(2,218,481)**	**1,304,101**

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2024 £	*Income £*	*Expenditure £*	*Balance at 31 December 2024 £*
Unrestricted funds				
General Funds	*376,171*	*591,536*	*(669,571)*	*298,136*

The Migdal Ohr Israel designated fund is held to represent ongoing funding commitments regarding a music facility.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	**Total funds 2025 £**
Current assets	1,321,405	**1,321,405**
Creditors due within one year	(17,304)	**(17,304)**
Total	1,304,101	**1,304,101**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Total funds 2024 £*
Current assets	*299,636*	*299,636*
Creditors due within one year	*(1,500)*	*(1,500)*
Total	*298,136*	*298,136*

Docusign Envelope ID: 120D058F-1729-81E8-8147-BDB6FFF2634E

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	*2024 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**1,005,965**	*(78,035)*
Adjustments for:		
Investment income	**(769)**	*(2,300)*
Decrease/(increase) in stocks	**3,640**	*(5,250)*
Increase in debtors	**(1,209,070)**	*(3,230)*
Increase in creditors	**15,804**	*-*
Net cash used in operating activities	**(184,430)**	*(88,815)*

18. Analysis of cash and cash equivalents

	2025 £	*2024 £*
Cash in hand	**107,488**	*291,149*
Total cash and cash equivalents	**107,488**	*291,149*

19. Analysis of changes in net debt

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	**291,149**	**(183,661)**	**107,488**
	291,149	**(183,661)**	**107,488**

20. Post balance sheet events

Subsequent to the year end, the charity received a legacy payment of £1.2 million. As entitlement to the legacy had been established before the balance sheet date, the related income and debtor were recognised in these financial statements. The post year end receipt represents settlement of the debtor outstanding at the reporting date.