

FRIENDS OF THE HOLY LAND
ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
(registered charity number 1130054)

FRIENDS OF THE HOLY LAND

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FOR THE YEAR ENDED 31 MARCH 2016**

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FRIENDS OF THE HOLY LAND

LEGAL AND ADMINISTRATIVE DETAILS

CONSTITUTION

The Charity is governed by a Declaration of Trust made on 23 March 2009.

The objects for which the Charity is established are:

- the advancement of religion and advancement of education in each case in Israel, Palestine, Jordan and Cyprus (together the 'Holy Land') by improving the quality of education and training in, and providing financial support to, schools, educational establishments and Parishes, principally, but not exclusively, run by the Latin Patriarch of Jerusalem, for members of the Christian community in the Holy Land; and
- the prevention or relief of poverty and sickness in the Holy Land by financial support, organisation of self-help projects, purchase of goods and artefacts of all kinds from members of the Christian community for re-sale by the Charity and through any other means by which their quality of life can be improved.

PATRONS

His Eminence Cardinal Vincent Nichols, Archbishop of Westminster
The Most Reverend and Right Honourable Justin Welby, Archbishop of Canterbury
The Right Reverend and Right Honourable Lord Williams of Oystermouth
The Most Reverend Patrick Kelly, Archbishop Emeritus of Liverpool
The Most Reverend Barry Morgan, Archbishop of Wales
The Most Reverend Bernard Longley, Archbishop of Birmingham
The Most Reverend Malcolm McMahon, Archbishop of Liverpool
The Right Reverend Christopher Chessun, Bishop of Southwark
The Right Reverend Doctor Michael Langrish

TRUSTEES

The Trustees who served throughout the year and to the date of this report were:

Patrick John Horsfield
James Kelly
James Quinn (Chairman)
Peter Rand
Charles Reed
David Ryall
Anthony Stokes
Norah Whelan

ADDRESS FOR CORRESPONDENCE

Farmer Ward Road, Kenilworth, Warwickshire, CV8 2DH

BANKERS

NatWest, 32 Market Place, Cirencester, GL7 2NU

INDEPENDENT EXAMINER

Frederick Charles Slater, Chartered Accountant of Slater Johnstone, Chartered Accountants, 3 Thimble Lane, Knowle, Solihull, West Midlands B93 0LY

SOLICITORS

Wright Hassell LLP, Olympus Avenue, Leamington Spa, Warwickshire, CV34 6BF

CHARITY COMMISSION

The Charity is registered with the Charity Commission under registration number 1130054

FRIENDS OF THE HOLY LAND

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Trustees present their report and financial statements for the year ended 31st March 2016. The Legal and Administrative Details on page 1 form part of this report.

Structure, Governance and Management

Constitution and Governing Document

This Charitable Trust was created by a Deed of Declaration of Trust made on 23 March 2009 by Patrick John Horsfield, John Milton Weedon, Anthony Arthur John McDowell and Michael Francis Whelan, It was registered with the Charity Commission on 9th June 2009 with the objects set out on page 1 hereof.

Organisational Structure

By virtue of the power given to them by Clause 7 of the Trust Deed the Trustees have appointed Peter Rand as Executive Trustee and appointed him Chairman of the Management Committee with the powers and responsibilities set out in the Regulations of the Trustees dated 22nd November 2013 and appointed the following persons as members of the Management Committee:

Management Committee

Peter Rand	Executive Trustee and Chairman of the Management Committee
James Quinn	Trustee member of the Management Committee
Anthony Stokes	Trustee and Director of Finance
Vicki Urch	Director of Development
John Bradshaw	Communications
Karen Baxter	Office Manager
John Rice	Pilgrimages
June Palmer	Minute Taker

Since the end of the year and with the approval of the Trustees, the Management Committee has appointed Marion Homer to the Management Committee as Communications Manager.

In turn and with the approval of the Trustees the Management Committee have appointed a committee in Bethlehem to provide all the necessary local information and support to the needs of the Charity in the area of its work.

Holy Land Committee

Rev. Dr. Jamal Khader	Chairman, Dr Khader is a member of the Theological Reflection Committee of the Latin Patriarchate and of the Committee of Dialogue with Jews. He teaches at the Latin Seminary in Beit Jala, Bethlehem University, the Emmaus Center in Beit Sahour, and Mar Elias College in Ibillin. He also teaches Peace Studies and Conflict Resolution Strategies for the Master's in International Cooperation and Development (MICAD) program. Dr Khader is the Chairperson of the Department of Religious Studies and the Dean of Arts at Bethlehem University. Dr Khader is currently the Rector of the Latin Patriarchate Seminary in Beit Jala
Mrs Laila Asfoura	Managing Director Laila Tours & Travel
Husam Wahhab	Certified Public Accountant and Lecturer, Bethlehem University
George Saadeh	Principal of the Shepherds Field Greek Orthodox School in Beit Sahour and former Deputy Major of Bethlehem
Canon Hosam Naoum	Dean of St George's Anglican Cathedral Jerusalem, Headmaster of St. George's School, Jerusalem Secretary to the Meeting of the Heads of Churches in Jerusalem

The purpose of this committee is to manage the permanent FHL office in Bethlehem, to identify, recommend, administer and monitor the objects of the charitable donations and to act on behalf of the Management Committee as the active administration of the Charity in the Holy Land. The committee has been instrumental in ensuring the Registration of the Charity with the Palestinian Authority as a branch of an overseas NGO in

FRIENDS OF THE HOLY LAND

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

Holy Land Committee (continued)

Palestine, granting to the charity formal authority to conduct its charitable activities throughout the West Bank and Gaza. Support to Christians in Israel and Jordan is made direct from the UK or through local Institutions.

The members of the Committee are all volunteers. A small office has been made available and two permanent members of staff have been employed to carry out the day to day administration and recording of the charity's activities in the Holy Land. Visits are made by senior members of the Management Committee to consult with and plan the activities of the committee at approximately quarterly intervals.

Review and Strategic Plan of 31st March 2014

On 31st March 2014 the Trustees published their Strategic Plan for the Charity for the five years commencing on 1st April 2014. The Plan has been regularly reviewed and updated by the Management Committee and by the Trustees.

Recruitment Appointment and Training of Trustees

During the year there have been no additions or changes in the Board of Trustees or in the identity of the Chairman

Relationship with related parties and other charities

The Charity maintains close relationships with the Catholic Bishops' Conference of England and Wales and the Church of England through the good offices of its patrons and the day jobs of two of its trustees, David Ryall and Charles Reed. There are no formal links between the Charity and the two organisations.

Governance and internal controls

The Strategic Plan focused heavily on these issues and continued the steps previously taken by the Trustees to ensure that the Charity fully complies with all relevant Governance issues and sets up all appropriate and necessary controls to that end. Registration by the Palestinian Authority has been a welcome step forward. The Trustees have approved documents relating to and identifying areas of Delegation, Risks and Risk Management. The end of the year coincided with a change of offices to accommodate additional staff, including volunteers. The office in Station Road, Kenilworth was exchanged for larger space at Farmer Ward Road, Kenilworth. We hope that this office will meet our needs for a number of years.

Ecumenical Progress

• In the Holy Land

There has been increasing collaboration between the Charity and the institutions set up by the various churches in the Holy Land, particularly the Latin Patriarchate, the Episcopal Diocese of Jerusalem, Pontifical Mission Palestine (PMP) and Caritas Jerusalem. There has been acknowledgement of the different mission between the Charity and those institutions that accepts that the mission of the Charity is based in the support of identified individuals and families in need. However, these existing institutions with their wide networks of parishes and groups provide an essential filter for the Charity to identify individuals and families in need.

Whilst there is a close relationship with the Episcopal Church, the Latin Church and the Greek Orthodox Church through the individual members of the Holy Land Committee and the help that the charity is able to give, the intention of the Trustees remains to build closer links with all of the Christian Communities in the Holy Land.

• In England, Wales, Scotland and Continental Europe

There has been steady progress during the year involving the various Dioceses of both the Anglican and Roman Catholic Churches. The Management Committee has pursued its plan to build a network of Regional Coordinators, Ambassadors and Diocesan Coordinators to link with the Director of Development and Head Office in Kenilworth. The Bishops of England, Wales, Scotland and continental Europe have appointed a total of 41 Diocesan Coordinators whose appointments form the solid means of organization for our expanding work over here.

We continue to benefit from the help of our Patrons in this regard. In particular both Cardinal Vincent Nichols and Archbishop Justin Welby have continued to be personally active on our behalf throughout the year. An increasing number of Dioceses have committed their Lent or Advent Appeals, Lenten Alms or Christmas Crib Offerings to this Charity.

FRIENDS OF THE HOLY LAND

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

Review of Objectives, Activities and Achievements

The prime objective of FHL is to support the Christian people of all denominations in the area of Palestine, Israel and Jordan, known as the Holy Land. This is achieved by raising awareness of the challenges they experience, encouraging prayers to be offered on their behalf, generating and channelling financial resources to provide a sustainable future and encouraging visits and pilgrimages to the Holy Land to meet local Christians.

The Charity is not yet seven years old. It has grown at a remarkable rate during that period. It has maintained growth during the year both in income and in charitable grants. The accounts for the year reveal an income of £669,599, an increase over the previous year of 13%. The charitable grants made during the year to 31st March 2016 were £452,372 up from £407,511 the previous year an increase of 11%. It is clear that the work on the ground in the Holy Land and the pressures on the region imposed by the difficult political situation mean that there is abundant need to be met. Whatever increase the Charity can secure during the current year will be very easily spent.

At 31st March 2016 the Charity had identified 449 projects up from 211 projects twelve months earlier – over 100% increase in one year on the previous five years. The increasing rate of projects can be attributed to an increasing need and the ability of our organization in the Holy Land to meet that increasing demand. We are fortunate that our income in England and Wales has allowed us to meet these increased demands.

These projects are in various stages of development but the vast majority have already benefitted from expenditure.

Community Support

Support for Christians is either through projects that support the community or most frequently direct individual named families. (See Family Support below). Projects in the community during the last 12 months included:

- Summer Camps – FHL funded the participation costs of 70 of the 200 children at the Latin/Greek Orthodox parishes in the village of Aboud and one-third of the cost of the Summer Camp at the Episcopal Parish in Nablus.
- St. Luke's Hospital Nablus. This is under the management of the Anglican Diocese in Jerusalem. Originally, FHL funded 25% of the 'exemption fund' for Christian patients who could not afford the costs of medications, operations or a hospital bed. From 1 January 2014, with the help of a grant from a charitable trust, this was increased to 100% and 549 Christian patients benefitted from FHL support in the year to 31 March.
- St. Vincent's Orphanage in Bethlehem and Sisters of Charity in Gaza. Both these institutions benefitted from FHL grants.
- Zababdeh water project. During the year a significant project was completed to improve the water supply to this small village of 4,500 mostly Christian inhabitants, providing a water pipe and equipment from El-kefir to two drinking water reservoirs in Zababdeh.
- Iraqi Refugees in Jordan. During the year a programme commenced to support up to 100 Christian refugee families who fled from Iraq, in many cases with nothing and for whom the Charity has provided a lifeline.

Family Support

- Education. The payment or part-payment of school fees is a core FHL activity, enabling families to send 172 children this year to 16 different faith schools in various towns and villages, principally in the West Bank, but also including 16 pupils at the Rosary Sisters School in Gaza. Additionally FHL supported students at universities, including the universities in Gaza and Bethlehem.
- Medical. Support has been given during the year to assist with the funding of urgent medical procedures and the provision of medications. A new project commenced to fund those Christian patients at the Ramallah Medical Centre for Diabetes and Cardiovascular Diseases under the management of the Anglican Diocese in Jerusalem, with the support of a Lent Appeal in the Diocese of Norwich.
- Regular support. The most needy families in the Christian community are identified by the FHL Holy Land Committee or local Clergy and their circumstances verified. FHL then provide regular help with 500 shekels (approx. £90) per month to these families (91 during the year) which can make a significant difference to their quality of life. Cases are re-assessed every 12 months. A special Easter distribution of \$100 was made to 400 families.

FRIENDS OF THE HOLY LAND

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

Family Support (continued)

- Housing repairs. These continue on an ad hoc basis according to cases brought to the attention of the Holy Land Committee. Work can include decorating, damp-proofing, electrical and plumbing repairs to more significant improvements such as installing a new kitchen or bathroom. Full costings are obtained and verified by qualified members of the Holy Land Committee.
- Dental Project. During the year we commenced a new project intended to allow inspection and relevant dental work to school children. Our pilot project was successfully concluded at the Latin school in Beit Jala and has subsequently been completed at two other schools.

Social Care for the Elderly - St. Martha's House

This is undertaken through support to the running costs of St. Martha's House, the first Day Care Centre for elderly ladies in the Bethlehem area. The house is open 4 days a week and provides comfort and support as well as practical facilities, such as lunches, hairdressing and pedicure, twice a week to 40 Christian ladies, mostly widows with no family member to help them.

Sustainable Employment

The initiative started in the previous year has continued slowly to develop. An investment was made to start a new boxed sandwich business in Bethlehem, trading as FRESH, providing employment to ladies from needy Christian families, who otherwise would not have been able to secure employment. The purpose of the business was changed when others picked up the idea and were able to do so on a greater and more efficient scale. The thrust of the business was changed to producing chocolate cupcakes. That change allowed the project to continue. The project to fund the employment of 5 young Christian parishioners in the Holy Family Parish in Gaza for 2 years continued during the year. Agreement was also reached to fund a further project in Gaza to commence in October 2016, to employ 16 young people in new positions at 4 Christian institutions in Gaza.

Children with Special Needs - School of Joy

The School of Joy, a school for children with Special Needs in Beit Sahour, continues to be underwritten with the help of donations to FHL. The Principal secures approximately 40% of income from elsewhere and Bethlehem University provides expert teaching skills to the staff. FHL funding had enabled the School to increase from 30 children and 3 classes in 2011 to 61 children in 6 classes in 2015.

Development in the UK

Vicki Urch who was employed as Director of Development in December 2014, to grow support and funds, completed her first full year working with us. During the year she has pressed forward with the new structure subdividing our organization into 12 regional areas. We now have 41 Diocesan Co-ordinators appointed by Bishops from the 64 Anglican and Catholic Dioceses in this country.

Financial Report

Income was derived from donations from charitable trusts, individual donations, fundraising activities, parishes and dioceses in England, Wales, Scotland and Europe through appeals or through the activities of support groups including those formed in parishes and bank interest received. Income amounted to £669,599 (2015 - £591,080). Charitable grants and disbursements amounted to £452,372 (2015 -£407,511) Operational and fundraising costs amounted to £110,890 (2014 - £94,826)

Reserves Policy

As the Charity develops it is the policy of the Trustees to hold a financial reserve to cover 6 months administration expenses together with a contingency to ensure a continuity of operation can be maintained in circumstances where income may be temporarily reduced or to respond to any funding emergency that may arise.

Unrestricted Funds

The balance of funds held at 31st March 2016 includes a substantial donation received from a Charitable Trust close to the end of the accounting year. These funds have now been disbursed.

Pensions

The Charity contributes to a defined contribution scheme and has no legal or constructive obligations to pay further contributions if the fund does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

FRIENDS OF THE HOLY LAND

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

Going Concern

Whilst the Trustees are mindful that the Charity is dependent upon income and donations from individuals and Charitable Trusts/Foundations, they have a reasonable expectation that this will continue for the foreseeable future. Furthermore grants are only made following the receipt of donations and for these reasons it continues to adopt the 'going concern' basis in preparing the financial statements.

Designated Fund - Beit Sahour Housing

The Fund that we had designated for the Beit Sahour Housing Project has not been called on during the year. Notwithstanding continuing and regular negotiations, it has not been possible as yet to obtain the relevant consents for the project to proceed as a project of this Charity and a suitable partner in the Holy Land has not as yet been identified.

Risk Assessment and Management

The Trustees currently believe there are no significant risks in the management of the Charity and the disbursement of benefits. Normal management controls are in place. A Risk Assessment has been carried out by the Trustees.

Investment Policy

At present the Charity has no investments. Under the Declaration of Trust the Trustees have powers to make any investment the Trustees see fit. Apart from the investments in bank accounts revealed by the statement, at present the Charity has no other investments

Public Benefit Statement

The Trustees consider they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Charity's activities satisfy the objectives set out in its constitution and described on page one of the Annual Report and Accounts.

Statement of Trustees Responsibilities

The Charities Act 2011 and the Charity's constitution requires the Trustees to prepare financial statements for each financial year which comply with regulations under that Act.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Law also sets out the Trustees' responsibilities for the preparation and content of the Trustees' Annual Report.

The Trustees confirm that the above requirements have been complied with in the financial statements.

On behalf of the Trustees

James Quinn
Chairman
Dated:

FRIENDS OF THE HOLY LAND

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF FRIENDS OF THE HOLY LAND

I report on the accounts of Friends of The Holy Land Charity for the year ended 31 March 2016, which are set out on pages 8 to 13.

This report is made solely to the Charity's Trustees, as a body, in accordance with The Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity's Trustees as a body, for my work, or for the statement I have made.

Respective responsibilities of the trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year (under section 144 of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed. The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

examine the accounts under section 145 of the 2011 Act;

to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5) (b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanation from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - * to keep accounting records in accordance with section 130 of the 2011 Act; and
 - * to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Frederick Charles Slater
Chartered Accountant
of Slater Johnstone
Chartered Accountants
3 Thimble Lane
Knowle, Solihull
West Midlands B93 0LY

Dated:

FRIENDS OF THE HOLY LAND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2016 £ £	Total 2015
Income from						
Donations		480,470	-	160,920	641,390	562,147
Commercial activities:						
Olive wood products		26,845	-	-	26,845	27,911
Bank interest		1,364	-	-	1,364	1,022
Total income		508,679	-	160,920	669,599	591,080
Expenditure on						
Cost of raising funds:						
Olive wood products		19,713	-	-	19,713	20,322
Charitable activities	3	91,177	-	452,372	543,549	482,015
Total expenditure		110,890	-	452,372	563,262	502,337
Net income/(expenditure) before transfers		397,789	-	(291,452)	106,337	88,743
Transfers between funds	8.2	(285,691)	-	285,691	-	-
Net movement in funds		112,098	-	(5,761)	106,337	88,743
Total funds brought forward		57,590	110,000	85,796	253,386	164,643
Total funds carried forward		£169,688	£110,000	£80,035	359,723	£253,386

FRIENDS OF THE HOLY LAND

**BALANCE SHEET
AS AT 31 MARCH 2016**

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	4		3,700		6,660
Current assets					
Stocks		5,062		5,423	
Debtors	5	12,049		11,094	
Bank and cash balances		342,178		232,645	
			<hr/>	<hr/>	
			359,289	249,162	
Creditors					
Amounts falling due in one year	6	3,266		2,436	
			<hr/>	<hr/>	
Net current assets			356,023	246,726	
			<hr/>	<hr/>	
Net assets	7		£359,723	£253,386	
			<hr/>	<hr/>	
Funds	8				
Unrestricted funds			169,688	57,590	
Designated fund			110,000	110,000	
Restricted funds			80,035	85,796	
			<hr/>	<hr/>	
			£359,723	£253,386	
			<hr/>	<hr/>	

Approved by the Trustees on

and signed on their behalf by:

James Quinn

Trustee

Anthony Stokes

Trustee

FRIENDS OF THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Accounting basis and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Charities Act 2011. The financial statements are prepared under the historical cost convention.

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Income recognition

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 accurately.

Where donations have been received under the Gift Aid arrangements the income is shown gross to include tax repaid and repayable.

Interest arising on cash balances is included when receivable and the amount can be measured reliably by the Charity. This is normally upon notification of the interest paid or payable by the bank.

1.3 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement is required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accruals basis inclusive of any value added tax that cannot be recovered.

1.4 Tangible fixed assets

Items of equipment will be capitalised and depreciated where the purchase price exceeds £500. Expenditure on computer equipment, where capitalised, is being depreciated at 33 $\frac{1}{3}$ % on cost.

1.5 Stocks

Stocks are valued at the lower of cost and realisable value.

1.6 Exchange rates

Transactions in foreign currency have been converted to sterling at the average exchange rates during the year.

1.7 Funds

In order to differentiate the availability of funds they are categorised according to the following definitions:

Unrestricted funds are available for any purpose of the Charity.

Designated funds represent amounts set aside for specific purposes but which remain at the discretion of the trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor, often to be dispersed over a specified time frame.

1.8 Taxation

The Charity is exempt from taxation on its charitable activities.

1.9 Pension contributions

The charity contributes to a personal pension plan for one of its employees. The cost disclosed in the financial statements is the amount of contributions for the year.

FRIENDS OF THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Related party transactions and trustees' expenses and remuneration

The Trustees give freely their time and expertise without any form of remuneration or other benefit.

Travelling expenses to the Holy Land amounting to £1,956 (2015: £1,913) were reimbursed to two Trustees (2015: two) during the year.

No Trustee or other person connected with the Charity had any personal interest in any contract or transaction entered into by the Charity during the year. The Trustees are not aware of any related party transactions requiring disclosure.

3. Expenditure on charitable activities

	Unrestricted Fund £	Restricted Funds £	Total 2016 £	Total 2015 £
3.1 Direct costs - Grants:				
Community support	-	64,741	64,741	59,695
Icon School	-	-	-	331
Family support	-	289,216	289,216	249,328
Martha's House	-	46,420	46,420	42,775
School of Joy	-	51,995	51,995	55,382
	-----	-----	-----	-----
	-	452,372	452,372	407,511
	-----	-----	-----	-----
2015	-	407,511	-	407,511
	-----	-----	-----	-----
	Unrestricted Fund £	Restricted Funds £	Total 2016 £	Total 2015 £
3.2 Support costs				
Employee costs	41,888	-	41,888	32,682
Rent and rates	5,672	-	5,672	5,510
Holy Land office	12,170	-	12,170	8,060
Light and heat	363	-	363	347
Telephone	1,024	-	1,024	593
Postage and stationery	2,012	-	2,012	2,320
Promotional material	9,415	-	9,415	6,031
Travelling expenses	5,847	-	5,847	5,057
Computer expenses	5,117	-	5,117	8,582
Depreciation	2,960	-	2,960	2,220
Sundry	4,709	-	4,709	3,102
	-----	-----	-----	-----
	91,177	-	91,177	74,504
	-----	-----	-----	-----
Total cost of charitable activities	91,177	-	543,549	482,015
	=====	=====	=====	-----
2015	74,504	407,511	-	482,015
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FRIENDS OF THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

3. Expenditure on charitable activities (continued)

3.3 Staff costs and numbers

The charity employed a general manager on a full time basis during 2016 and 2015. One further member was employed on a part time basis to provide office support. Social security costs in each year were reduced to nil by the employment allowance. No employee had remuneration in excess of £60,000 (2015: £nil).

Staff costs were as follows:

	2016	2015
	£	£
Salaries	39,661	29,791
Social security costs	-	-
Pension contributions	2,227	2,895
	<hr/>	<hr/>
	41,888	32,686
	<hr/>	<hr/>

4. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2015 and 31 March 2016	8,880
	<hr/>
Depreciation:	
At 1 April 2015	2,220
Charge for the year	2,960
	<hr/>
At 31 March 2016	5,180
	<hr/>
Net book amount:	
At 31 March 2016	3,700
	<hr/>
At 31 March 2015	6,660
	<hr/>

5. Debtors

	2016	2015
	£	£
Income tax recoverable (Gift Aid)	8,660	7,458
Olive wood sales	1,153	1,804
Prepayments	2,073	1,669
Amount held by Latin Patriarchate, Jerusalem	163	163
	<hr/>	<hr/>
	12,049	11,094
	<hr/>	<hr/>

FRIENDS OF THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

6. Creditors: Amounts falling due in one year

	2016 £	2015 £
Accrued expenses	784	1,597
Social security and other taxes	2,482	839
	<hr/>	<hr/>
	3,266	2,436
	<hr/>	<hr/>

7. Analysis of net assets between funds

	Unrestricted fund £	Designated fund £	Restricted funds £	Total funds £
Fixed assets	3,700	-	-	3,700
Stocks	5,062	-	-	5,062
Debtors	12,049	-	-	12,049
Bank and cash balances	152,143	110,000	80,035	342,178
Creditors due in one year	(3,266)	-	-	(3,266)
	<hr/>	<hr/>	<hr/>	<hr/>
	169,688	110,000	80,035	359,723
	<hr/>	<hr/>	<hr/>	<hr/>

8. Funds

8.1 Movement in funds

	Opening balances £	Incoming resources £	Outgoing resources £	Transfers £	Closing balances £
Unrestricted	57,590	488,966	(91,177)	(285,691)	169,688
Designated					
Beit Sahour Housing	110,000	-	-	-	110,000
Restricted					
Beit Sahour Housing	15,845	3,422	-	-	19,267
Bethlehem University appeal	4,053	2,594	-	-	6,647
Community support	14,944	47,197	(63,650)	30,630	29,121
Family support	-	89,043	(289,216)	200,173	-
Martha's House	-	7,121	(46,420)	39,299	-
School of Joy	50,000	11,406	(51,995)	15,589	25,000
Ely Diocese Water Project	954	137	(1,091)	-	-
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	253,386	649,886	(543,549)	-	359,723
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8.2 The balance on the designated fund is an amount set aside by the trustees to support the housing scheme at Beit Sahour.

8.3 The balances on restricted funds represent income from donations specifically given and not spent by the year end. These funds include donations received to be distributed over the next two years. The transfers from unrestricted funds represent expenditure met out of general funds not covered by specific donations.