



# World ORT

Consolidated Report and Financial Statements

Year ended 31 December 2023

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**Company secretary and registered office**

Rivka Weston, 1, Rue De Varembé, CH-1211 Genève 20, Switzerland.

**Administration Address**

147 Arlington Road, London, NW1 7ET, United Kingdom.

**Auditor** Ernst & Young, 144 Menachem Begin Road, Building A,  
Tel-Aviv 6492102, Israel

**Banker** UBS AG, case Postale 2770, CH-1211 Genève 2, Switzerland.

**Solicitor** Professeur François Bellanger, 8-10 Ruse de Hesse, CP-5715, 1211 Genève  
11, Switzerland.

The Trustees of World ORT present their annual report for the year ended 31 December 2023. Trustees with specific functions are termed "officers".

**Officers**

**Non-Executive**

Chairman of the Board of Trustees	Bob Grey
Chair, Council of Representatives	Simon Alberga
Vice President	Judy Menikoff
Vice President	Philippe Leopold-Metzger
Treasurer, and Chair Finance Committee	Yorai Linenberg

**Executive**

Director General	Dan Green
Global Chief Financial Officer	Hadas Grumet

**Other**

Chair of the Audit and Risk Committee	Howard Lanznar
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The responsibility for the financial statements lies with the Board of Trustees.

**Trustees' responsibilities**

The Trustees of World ORT are responsible for the Financial statements for each financial year which give a true and fair view of the organization's income and expenditure during the year and of its state of affairs at the end of the year. In preparing these Financial statements they are required to:

- select suitable accounting policies and then apply them consistently.
- 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 being disclosed and explained in the financial statements.
- prepare the Financial statements on the going concern basis unless it is inappropriate to assume that the organization will continue in business.

The responsibilities of the Trustees include keeping proper accounting records which disclose, with reasonable accuracy, at any time, the financial position of the organization. They are also responsible for safeguarding the assets of the organization and hence for taking reasonable steps for the prevention and detection of fraud and other breaches of law and regulations.

### **Status of World ORT group**

World ORT is a not-for-profit organization registered with the Registry of Commerce in Geneva and whose registered address is: 1 Rue de Varembe, CH-1211 Genève 20, Switzerland.

### **Who we are**

ORT is a global education network driven by Jewish values. We are passionate about unleashing the potential of young people so they can lead fulfilling lives and have a positive impact on the world around them.

Since our foundation in 1880, ORT has been transforming lives through training and education. From focussing on teaching 19th century Russian Jews essential trades and professions, we have evolved to provide 21st century skills to empower people and strengthen communities. Our network now reaches more than 200,000 people a year in more than 30 countries. We provide a combination of high-level science and technology education with strengthened Jewish identity, bridging the gap between ability and opportunity – and ensuring the continuity of Jewish life worldwide.

### **Why we are needed and our aims**

World ORT is the central umbrella body that coordinates the federated network of National ORT Organizations worldwide.

The ORT network has always been driven by Jewish values. Our projects promote Tikkun Olam and social responsibility, reconnecting communities with their Jewish roots through our inclusive schools and universities.

ORT's mission is to transform lives through education driven by Jewish values and innovation that empowers people and strengthens communities.

Our global education network reaches across borders to benefit students, educators and communities. The ORT family creates a sense of belonging where we can all learn from each other's passion and perspective.

### **What we do and where we work**

World ORT is the central umbrella body that coordinates the federated network of National ORT Organizations worldwide.

We provide leadership and support to the global ORT network in achieving the vision of flourishing individuals and communities by working to identify, develop and share good practice; by engineering excellence in the delivery of programs; and by fostering collaboration to increase both program quality and the numbers of individuals and communities reached.

World ORT facilitates, encourages and supports this work directly and through its global network of affiliated National Organizations, helping National ORT Organizations to innovate and excel in delivering impactful projects and programs, while at the same time respecting the autonomy and independence of each National Organization.

In 2023, ORT programmatic activities covered the following principle geographic locations:

<u>Former Soviet Union</u>	<u>Americas</u>	<u>Europe &amp; Rest of World</u>
<ul style="list-style-type: none"><li>• Russia</li><li>• Ukraine</li><li>• Kyrgyzstan</li><li>• Moldova</li><li>• Latvia</li><li>• Estonia</li><li>• Lithuania</li><li>• Belarus</li></ul>	<ul style="list-style-type: none"><li>• Argentina</li><li>• Brazil</li><li>• Colombia</li><li>• Costa Rica</li><li>• Uruguay</li><li>• Mexico</li><li>• Chile</li><li>• Peru</li><li>• Panama</li><li>• Cuba</li></ul>	<ul style="list-style-type: none"><li>• South Africa</li><li>• Bulgaria</li><li>• France</li><li>• Italy</li><li>• India</li><li>• Israel</li><li>• Czech Republic</li><li>• Spain</li><li>• United Kingdom</li><li>• Singapore</li><li>• Ghana</li><li>• Greece</li><li>• Albania</li><li>• Ethiopia</li><li>• Guinea</li><li>• Sri Lanka</li></ul>

Fundraising remains central to the continued success of our activities and is performed by World ORT and by the affiliate national organizations in various countries. Fundraisers have a catalogue of World ORT projects to show potential donors. Their success depends on a number of factors including the economic environment and donors.

In 2023, World ORT launched the Israel Emergency Campaign and as 2023 drew to a close, we were assisting more than 4,000 students across more than 40 evacuation centers around Israel. Our teams were providing counseling, psychological assistance and a range of physical therapies including sport and krav maga sessions.

ORT has been actively addressing the needs of approximately 4,000 ORT Ukraine staff, students, and families since the war broke out in February 2022. World ORT launched the emergency campaign and provided support for essential needs to schools and communities in Ukraine and for ORT and affiliated schools in Europe and Israel that received Ukrainian refugees.

Projects are not commenced until funding has been secured or there is reasonable certainty of funding; in addition, project activity can be cyclical. World ORT has managed to smooth these effects by entering into partnerships with national and local governments where possible.

Each relationship with a government body is defined by the relevant contract and accounted for accordingly.

### **What we did in 2023**

The year started with many of our programs, including summer schools and other activities, returning in-person for the first time since the Covid pandemic struck.

The World ORT Taub Young Entrepreneurship Program (YEP) competition is an opportunity for students to live the experience of designing a product or service that solves a social problem, with milestone presentations and pitches to judges throughout the course. This year's YEP program in the southern hemisphere was won by a team from King David School in Johannesburg, South Africa, with a project to track the health of pets.

In the northern hemisphere, a plan to match digital nomads to unoccupied office spaces secured first place for a group of students from Colegio Olamí ORT in Mexico City.

World ORT resumed its face-to-face international events for High School students for the first time since 2020, starting with the Ecology Summer School in Panama in February. The group of 27

Spanish-speaking students representing ORT network schools in Argentina, Brazil, Colombia, Costa Rica, Mexico Panama, Peru, Spain (Barcelona and Madrid) and Venezuela were invited, following a rigorous selection process, to experience a new way of studying the natural world.

The B'nei Mitzvah Pilot Program launched successfully in March this year with an online teacher training seminar and more than 120 students participating. The three-month program focused on learning more about this meaningful milestone in Jewish life. Students twinned with another school in the network for cultural and collaborative learning. This allowed young people from different countries to share perspectives as they explored their journeys from childhood to adulthood together. Students also had the opportunity to explore their heritage through home learning activities with their families.

World ORT's LEAD seminar is no ordinary teacher training course. The annual leadership program gives outstanding professionals the tools they need to reach their potential and ORT's educational leaders and senior managers. This year's course took place in March at Madrid's Jewish Community Center and welcomed 21 ORT educators and professionals representing 16 countries.

The combination of World Poetry Day and World Water Day on consecutive days in mid-March provided the opportunity to bring students together to share water-themed poems and presentations. The theme for this year's World Water Day event was Accelerating Change. Students joined from countries including Peru, Panama, France, Israel, Lithuania, Brazil and South Africa.

Students from across our global network came together online to celebrate ORT Day, an annual day of recognition of ORT's history and achievements. Joining teachers, alumni, professional staff and friends of ORT, ORT Day aimed to educate about the organization's work since its foundation in 1880, and to provide inspiration via ORT's long-standing adaptability in the face of challenges. Participants joined an interactive quiz and students enjoyed special assemblies featuring a video looking back over 143 years of history.

To mark World Refugee Day, more than 100 students from across ORT's school network – including in Panama, France, Spain, Mexico and Argentina – joined a special online session to hear three displaced women who have benefited from ORT's assistance, speak about their experiences of leaving home and arriving in a new country and having to adapt to carve out a new future for themselves.

In 2023, we launched a microgrant scheme for supporting Mental Health and Wellbeing that invited schools to submit applications for up to \$2,000 in funding for new projects that would have a low cost and high impact. We encouraged creativity and suggested schools propose projects that benefit staff or students, provide training or support, and look after existing mental health issues or develop resilience.

Students from across Europe and Israel took part in the first in-person World ORT Digital Skills Academy summer school since the pandemic. The group of 22 talented youngsters travelled to Sofia, Bulgaria, for two weeks in July of intensive studies and skill development. During the program, participants honed their video production, audio production, and digital photography skills. The students travelled from Bulgaria, Spain, Israel, Latvia, Lithuania, and Estonia.

World ORT's annual STEM Summer School took place in Israel in July, creating a remarkable platform for 20 exceptional students with a passion for STEM fields. These hand-picked students from 12 countries developed their skills while working on university-level projects at Braude College in Karmiel.

Student ambassadors met online to complete six hours of training in governance and dialogue techniques to help build consensus around what Global Citizenship means to them. By gathering completed surveys from more than 140 students globally, they were then able to bring their data and knowledge to a series of Youth Forums where they created responses which ultimately formed the manifesto document. July's celebration event acknowledged their work and contribution to the future of the program and officially launched the World ORT Global Citizenship Manifesto.

We convened a global Educators' Forum at the end of 2023 to discuss the mental health and wellbeing needs of students and staff following the events of October 7th in Israel and the ensuing backlash against Israel and Jewish communities. This forum highlighted the unprecedented mental health emergency that ORT students and teachers are experiencing worldwide. Following the forums, ORT committed to supporting the schools in the network as they respond to this need.

### **World ORT Awards**

The Gina and Joseph Harmatz Award for Social Responsibility had eight submissions from five countries which demonstrated student projects that have made an outstanding contribution to communities in need. Prizes were awarded to students in Russia and South Africa.

World ORT continues to develop and support web educational projects such as:

- a. Music and the Holocaust
- b. Art and the Holocaust
- c. ORT in DP camps
- d. ORT Historical Archive

### **Project Implementation in operational countries**

World ORT and ORT National Organizations in the countries of the former Soviet Union (FSU) continue to run ongoing operations across 16 ORT and affiliated Jewish schools, training centres for adults and in Research, Development & Education.

The war between Russia and Ukraine had a major impact on ORT operations in these countries and on the entire network. The multimillion dollar emergency campaign provided essential funds for our beneficiaries and schools in Ukraine. In 2023, this included evacuation, shelter accommodation, food, clothes, power generators, maintenance and fuel supply, first aid items; bomb shelter construction in the schools, purchase of security equipment, reinforcement works in the school premises, hiring continued payments to the professional security guards; organizing safe transportation of students to school; paying teachers' salaries to ensure retention of staff; and ongoing financial and humanitarian support for ORT families.

World ORT also provided substantial funds for ORT and affiliated Jewish schools in Israel, Spain, Italy, Bulgaria, Czechia, and Baltic countries that accepted and often hosted students from Ukraine, including ORT students.

In 2022-2023, STEM-related and other projects were continued in 11 Jewish schools in the network with direct funding provided by one of our donors for a five-year period. ORT stopped funding STEM-related projects in all 5 schools in Russia. ORT also continues to provide social support for students, pay stipends to the teachers and run extra-curricular activities such as Shabbatons, networking projects and competitions.

The Heftsiba programme, which sends teachers from Israel to ORT schools in FSU and Baltic States for an academic year, continued in 2023. After the war started, Israel evacuated its teachers from Ukraine, so Jewish curricula in ORT schools was delivered by local teachers, in-person and online. ORT provides administrative support and educational continuity.

### **World ORT International Cooperation programmes**

Ghana STEM Learning & Leadership Pathways: Expanding Vocational Training Model Access project was the third phase of a UNESCO and IC joint undertaking that has improved and expanded the STEM learning infrastructure in Elmina.

IC leveraged the funding from UNESCO as well as private donors, in partnership with our local Ghanaian partners - Nduom Community Library and Coconut Grove Hotel and Anne Frank Fonds in Zurich, Switzerland as well as individual donors.

The result was a STEM-focused online learning support pilot project that engaged 200 young girls and boys. Guided by eight young women from the local university, two cohorts of local youth acquired basic technology competencies and confidence as they spent 30+ hours with robotics-focused coursework and personally chosen learning platforms.

Refugee Women Empowerment Program in Greece: In its third year of partnership with Irida Women's Center, IC responded to more than 650 refugee women's needs in a holistic manner to improve their lives through livelihood development, legal assistance, psychosocial services as well as community building activities and childcare.

The goal is for the displaced women beneficiaries to be empowered to pursue opportunities for personal and professional growth to become agents of change, regain ownership of their lives, and become active members who participate meaningfully in the broader community. In 2023, we also extended these services to the influx of Ukrainian refugees into Thessaloniki including Greek and English as a Second Language classes as well as the services listed above.

Albania Afghan Refugee Training Program: Shengjin, Albania is home to 2,000 Afghan refugees, the majority of whom are women and children under age 12. ORT IC implemented an educational and vocational program to prepare Afghan teens and adults for successful employment and societal integration in the UK, US and Canada once they obtain visas. Training included digital literacy training and English as a Second Language in partnership with ANTTARC and Tirana Training Center.

Sri Lanka Shilpa Children's Center: IC first partnered with Shilpa after the Southeast Asia tsunami with a grant from JDC/Jewish Coalition for Disaster Relief to provide vocational training, livelihood recovery and trauma counselling. Individual donors continue to fund Shilpa activities through ORT IC to provide support for the 30 young orphans living at the Shilpa home (many of whom are street kids).

Ethiopia Employment Workshops and Computer Training:

A new IC initiative was launched in 2023 to benefit young Ethiopian Jews who do not have the opportunity or community resources to learn basic skills and experience the modern professional world of work. IC is providing these young people with the tools needed for future employment in tech and other skilled industries.

The program is in partnership with Struggle to Save Ethiopian Jewry (SSEJ), an American NGO, with support from the Buncher Foundation. The skills training program will ultimately reach 300 Ethiopian Jewish students aged 14 to 21. The students will learn how to construct their resumes, prepare for job interviews, learn communication skills, and receive an introduction

### **World ORT's operations in Israel:**

#### **World ORT Kadima Mada ("WOKM") "Educating for Life" Educational Network**

WOKM is working with the Israeli government and local municipalities throughout the country to improve standards in schools through programs coordinated by educational specialists based at World ORT Kadima Mada in Israel and with the backing, support and experience of World ORT specialists worldwide.

Kfar Silver, the World ORT-owned youth village and boarding school in Israel, serves as a "home from home" for boarding school students, including Israeli, immigrant and Na'ale students, and external students, mainly from the municipalities surrounding the Village. Many of these students come from challenging backgrounds. Kfar Silver's educational and emotional support for students aims to support those who may be at risk of failing academically and socially, enabling students to reach their full



potential and build the foundation for a successful adult life. WOKM works closely with Kfar Silver and also offers opportunities for affiliate schools to implement various pedagogical initiatives, providing them with new and innovative educational equipment, cutting-edge pedagogical programs, state-of-the-art science, and technology laboratories.

We monitor our impact on the schools we are involved in. The table below highlights the improvements, based on the latest official figures, on the previous year:

% change since last year	Kfar Silver
Matriculation Rate % improvement	-7%
2023 Matriculation rate	88%

### **World ORT YOUNiversity Centres of Excellence**

We provide the opportunity to succeed for students in under-served communities in Israel. The World ORT YOUNiversity Centres of Excellence in Israel enable underprivileged children to gain access to after-school educational enrichment opportunities in STEAM subjects never before available in their communities. The Centres of Excellence serve students in Israel's geographic and socio-economic peripheries and cover:

- Dimona and Beer Sheva in the south.
- Nahariya, Western Galilee, Eastern Galilee, Kiryat Yam and Safed in the north.

The centres offer students, aged K-14, hands-on educational experiences through project-based learning using the most up-to-date innovative educational tools and methodologies. Examples of courses and activities offered at the World ORT YOUNiversity Centres of Excellence include architecture, robotics, DIY, application design, entrepreneurship, fashion design, electronics, website building, digital media, 3D design and printing, photography & videography and science. Other clubs and programmes available include those to develop young computer technicians, young engineers, astronomy & space club, young doctors, and more.

The current focus is on Beer Sheva, Dimona, Kiryat Yam, Safed, Western Galilee and Eastern Galilee. All these Centers ran full face-to-face activities in 2023. More than 13,073 students benefitted from the classes and activities offered at those YOUNiversity Centres of Excellence during 2023.

### **Kfar Silver**

Following its acquisition of Kfar Silver in 2016, World ORT continues to improve the real estate and operations of Kfar Silver Youth Village in Southern Israel. Kfar Silver had a total of 249 boarders and 802 external students this academic school year. Our involvement has dramatically impacted the children of Kfar Silver with full matriculation rates well above the national average, despite an increased student intake this year:

<u>Kfar Silver Impact</u>	2023	2022
Students with a matriculation	88%	95%

### **Critical Success Factors**

We continue to measure our impact so that we can both learn from, adapt and improve our programmes' effectiveness and demonstrate the change that we are enabling to happen. Across our work we have developed specific impact measures - and associated outcome indicators - which are used to evaluate performance.

Our on-going learning and development culture enables us to continue to both develop our own expertise and to support partners to build theirs.

### **Risk Management**

The trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan.

The financial risk faced by World ORT is foreign currency risk. This is mainly due to the strengthening of the Israeli currency against the USD, which impacts the costs of World ORT's projects in Israel.

1. The financial risk is managed by
  - 1.1. As much as possible, converting donors' funds to NIS only when needed and only if the exchange rate is favourable
  - 1.2. Including a contingency in the project budget that will be used in cases of large changes in the exchange rate.

Operational risks are identified as (1) the reliance on a small number of country organizations for a large proportion of the voluntary income, (2) project management.

2. The risk of World ORT having a concentration of only a few fundraising countries or organizations. This risk is managed as follows:
  - 2.1. World ORT has direct access to certain major donors in agreement with their local country organizations.
  - 2.2. Encouraging donor country organizations to diversify their fundraising base from major individuals and family trusts to many individual small donors.
  - 2.3. Helping the operational countries to raise funds. In the first instance they attract funds from government and municipalities. Secondly, they receive parental contributions. Thirdly, they seek third-party donations including those from major donors. This last approach has not been as successful in countries where there is not yet a culture of giving.
3. Project management risks mainly consist of (1) the deliverable benefit not being properly defined and agreed by all parties, (2) projects starting before adequate funding is secured, (3) exceeding budgeted expenditure and (4) delays to the delivery of projects and benefits. World ORT manages these risks using procedures, plans and reviews.
  - 3.1. In the case of major donors or third-party organizations, the tangible or intangible object to be delivered is agreed at the outset either through a project proposal document or a formal agreement.
  - 3.2. Projects are not started until there is certainty as to the source of funds. The Director General and the Chief Finance Officer authorise the project to start by signing a project initiation document.
  - 3.3. The finance system is designed around project management. Reports are available by project to show progress in funding, expenditure, the current project balance and the timeline to completion.
  - 3.4. Project managers turn the initial project plan into purchase orders which are then authorized by their manager.
  - 3.5. Project managers regularly review their data in the financial planning system and then any revised project timeline is authorised by their manager.
  - 3.6. Where agreed with the donors or third-party organizations, a report is submitted to them confirming that the project has been delivered and to the recipient's satisfaction.
  - 3.7.

**Revenue for the year**

Total revenue for the year was USD 28 million, (2022: USD 26 million).

Unrestricted revenue for the year was USD 4.5 million, (2022: USD 4 million).

Restricted revenue for the year was USD 23.5 million, (2022: USD 22 million).

**Results for the year**

There was a total net deficit for the year of USD 0.7 million, (2022 surplus of: USD 100,000).

Unrestricted funds showed a net deficit for the year of USD 1 million, (2022 deficit of: USD 600,000).

Restricted funds showed a net surplus for the year of USD 0.3 million, (2022 surplus of: USD 700,000) due to timing differences between projects' revenue and expenditure.

**Review of financial transactions**

The financial statements, together with explanatory notes on pages 16 to 25, summarise the transactions of the organisation during the year ended 31 December 2023.

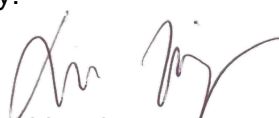
Signed in terms of the Constitution of World ORT by:



17/02/2025

Rivka Weston

Financial Controller



Yorai Linenberg

Treasurer, and Chair Finance Committee

## **AUDITORS' REPORT**

### **To the Board of Trustee of World ORT, Geneva**

We have audited the accompanying consolidated statements of the financial position of World ORT, Geneva as of December 31, 2023 and 2022, and the related consolidated statements of Comprehensive Activities, changes in charitable funds and cash flows for the year then ended. These financial statements are the responsibility of World ORT, Geneva board of directors and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We did not audit the financial statements of certain subsidiaries, whose assets included in consolidation constitute approximately 26% and 34% of total consolidated assets as of December 31, 2023 and 2022, respectively, and whose revenues included in consolidation constitute approximately 5% and 1.5% of total consolidated revenues for the years ended December 31, 2023 and 2022, respectively. The financial statements of those subsidiaries were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for those subsidiaries, is based on the reports of the other auditors.

We conducted our audits in accordance with generally accepted auditing standards in Israel, including those prescribed by the Auditor's Regulations (Auditor's Mode of Performance), 1973. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the board of directors and management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of World ORT, Geneva and its subsidiaries as of December 31, 2023 and 2022, and the results of their Activities, changes in their charitable funds and cash flows for the year then ended, in conformity with International Financial Reporting Standards ("IFRS").

Tel-Aviv, Israel  
February 17, 2025

*Kost Forer Gabbay and Kasierer*  
**KOST FORER GABBAY & KASIERER**  
**A Member of Ernst & Young Global**

	Note	2023 Unrestricted funds US\$'000	2023 Restricted funds US\$'000	2023 Total US\$'000	2022 Total US\$'000
<b>Revenue</b>					
Donations, grants and projects	3a	4,343	23,582	27,925	27,335
Property	3b	60	-	60	8
<b>Total revenue</b>		<b>4,403</b>	<b>23,582</b>	<b>27,985</b>	<b>27,343</b>
<b>Expenditure</b>					
<b>Direct project and charitable expenditure:</b>					
Grants and project costs		(125)	(23,282)	(23,407)	(22,732)
Delivery costs		(1,372)	(0)	(1,372)	(1,438)
Property costs	3b	(1,864)	-	(1,864)	(697)
Other direct costs	4	(422)	-	(422)	(462)
<b>Total</b>		<b>(3,783)</b>	<b>(23,282)</b>	<b>(27,065)</b>	<b>(25,329)</b>
<b>Other expenditure:</b>					
Fundraising		(620)	-	(620)	(522)
Management and administration		(870)	0	(870)	(677)
<b>Total</b>	4	<b>(1,490)</b>	<b>0</b>	<b>(1,490)</b>	<b>(1,199)</b>
<b>Total expenditure</b>		<b>(5,273)</b>	<b>(23,282)</b>	<b>(28,555)</b>	<b>(26,528)</b>
<b>Deficit before financial items</b>		<b>(870)</b>	<b>300</b>	<b>(570)</b>	<b>815</b>
<b>Financial income</b>					
Interest earned		2	-	2	32
Investment income		-	-	-	2
Gains/(losses) on investments, realised and unrealised currency exchange		(187)	-	(187)	(1,317)
<b>Total</b>		<b>(185)</b>		<b>(185)</b>	<b>(1,283)</b>
<b>Deficit for the year</b>		<b>(1,055)</b>	<b>300</b>	<b>(755)</b>	<b>(468)</b>
<b>Other recognised gains and losses</b>					
Actuarial (loss)/gain on defined benefit pension scheme for past service costs		-	-	-	566
<b>Net movement in funds</b>		<b>(1,055)</b>	<b>300</b>	<b>(755)</b>	<b>98</b>

The notes on pages 16 to 24 form part of these Financial Statements

	Note	2023 US\$'000	2022 US\$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, fixtures and equipment	6	20,234	18,772
		<u>20,234</u>	<u>18,772</u>
<b>Current assets</b>			
Inventories		194	203
Accounts receivables	7	2,055	1,486
Cash and cash equivalents	8	20,810	20,939
Restricted Cash		0	282
		<u>23,059</u>	<u>22,910</u>
<b>TOTAL ASSETS</b>		<b><u>43,293</u></b>	<b><u>41,682</u></b>
<b>Charitable funds and liabilities</b>			
<b>Charitable funds</b>			
<b>Restricted funds</b>			
Restricted endowment funds		1,752	1,752
Restricted project funds		12,937	12,637
		<u>14,689</u>	<u>14,389</u>
<b>Unrestricted funds</b>			
General reserves		18,112	19,167
<b>Total Charitable funds</b>		<b><u>32,801</u></b>	<b><u>33,556</u></b>
<b>Non-current liabilities</b>			
Net employee defined benefit liabilities		0	29
		<u>0</u>	<u>29</u>
<b>Current liabilities</b>			
Accounts payable	9	10,492	8,097
		<u>10,492</u>	<u>8,097</u>
<b>Total liabilities</b>		<b><u>10,492</u></b>	<b><u>8,126</u></b>
<b>Total charitable funds and liabilities</b>		<b><u>43,293</u></b>	<b><u>41,682</u></b>

The notes on pages 15 to 24 form part of these Financial Statements

	2023 US\$'000	2022 US\$'000
<b>Cash flows from operating activities</b>		
Net surplus	(755)	98
Adjustments to reconcile surplus to net cash used in operating activities:		
Adjustments to the profit or loss items:		
Depreciation and impairment of property and equipment	1,112	1,200
Property revaluation	1,738	-
Financial expenses, net	-	21
	<u>2,850</u>	<u>1,221</u>
<b>Changes in asset and liability items</b>		
Decrease/(increase) in accounts receivables	(569)	1,218
Decrease/(increase) in inventory	9	(25)
Decrease/(increase) in trade and other payables	359	(1,224)
Decrease in defined benefit liability	(29)	(436)
	<u>(230)</u>	<u>(467)</u>
	<u>1,865</u>	<u>852</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(4,312)	(4,595)
Change in restricted cash	282	(61)
	<u>(4,030)</u>	<u>(4,656)</u>
<b>Cash flows from financing activities</b>		
Increase in borrowings	2,036	-
	<u>2,036</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(129)</u>	<u>(3,804)</u>
Cash and cash equivalents at 1 January	20,939	24,743
<b>Cash and cash equivalents at 31 December</b>	<u><u>20,810</u></u>	<u><u>20,939</u></u>

	Restricted funds		Unrestricted funds		Total funds
	Endowment US\$'000	Projects US\$'000	Revaluation Reserves US\$'000	General Reserves US\$'000	US\$'000
<b>At 1 January 2022</b>	<b>1,752</b>	<b>11,972</b>	<b>14,148</b>	<b>5,586</b>	<b>33,458</b>
(Deficit)/Surplus for the year 2022	-	665	-	(1,133)	(468)
Pension actuarial loss	-	-	-	566	566
<b>At 31 December 2022</b>	<b>1,752</b>	<b>12,637</b>	<b>14,148</b>	<b>5,019</b>	<b>33,556</b>
(Deficit)/Surplus for the year 2023	-	300	-	(1,055)	(755)
Restricted project funds	-	-	-	-	-
Pension actuarial loss	-	-	-	-	-
<b>At 31 December 2023</b>	<b>1,752</b>	<b>12,937</b>	<b>14,148</b>	<b>3,964</b>	<b>32,801</b>



**1 Authorisation of financial statements and statement of compliance with IFRSs**

The consolidated financial statements of World ORT for the year ended 31 December 2023 were authorised for issue by the trustees of World ORT on January 20, 2025. The consolidated financial statements of World ORT have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

**2 Accounting policies**

**a. Basis of preparation**

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The accounting policies that follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2023.

The consolidated financial statements have been prepared in US Dollars as this is the functional and presentational currency of the World ORT group. All values have been rounded to the nearest thousand (US\$'000) except when otherwise indicated.

**Judgements and key sources of estimation and uncertainty**

The preparation of financial statements requires the trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In the process of applying World ORT's accounting policies, the trustees have made the following judgements, assumptions and estimations which have the most significant effect on the amounts recognised in the financial statements.

- **Non-financial assets**

World ORT assesses whether there are any indicators of impairment for all non-financial assets at each reporting date.

When value in use calculations are undertaken trustees must estimate future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to reflect the present value of those cash flows.

The current carrying value of non-financial assets of \$20 million (2022: \$18.8 million) is not considered impaired.

- **Defined benefit pension scheme**

The valuation of the scheme assets and liabilities is subject to assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases.

World ORT retains the services of qualified actuaries to advise the trustees when making these assumptions and the current applied assumptions are in line with prevailing market benchmarks.

**b. Jurisdictions**

World ORT and its subsidiaries are registered in Switzerland, Israel and the United Kingdom and are therefore subject to tax law in these jurisdictions respectively. As each entity is exempt from paying tax, no IAS 12 disclosures have to be made.

## 2 Accounting policies (continued)

### c. Basis of consolidation

The consolidated financial statements of World ORT for the year ended 31 December 2023 include four subsidiary undertakings, consolidated in full, as follows:

Subsidiaries	Country	Status
World ORT Trust	United Kingdom	Wholly owned
Kfar Silver Youth Village	Israel	Wholly owned
World ORT Kadima Mada	Israel	Effective control *

\*World ORT owns 49% of World ORT Kadima Mada. The remaining 51% of the shares are held in trusteeship equally by seven independent, unrelated shareholders. The shares were transferred to the trustees on 4 May 2012. World ORT considers that it has effective control with this share structure and benefits from an independent oversight. World ORT has input and oversight on the appointment of World ORT Kadima Mada senior staff. The World ORT Kadima Mada budgets are approved by World ORT.

There is no minority interest in World ORT Kadima Mada as there are no permanent assets and no free reserves. The ownership represented by the shares is non-beneficial.

The consolidated financial statements contain revenue and expenses of schools in the former Soviet Union and Baltic States. These are schools for which World ORT has effective control by appointing the school principal and providing additional funds.

All inter-entity transactions, including unrealised gains and losses, have been eliminated. The financial statements of the subsidiaries are prepared for the same reporting period as World ORT, using consistent accounting policies.

World ORT provides support to subsidiaries as follows:

World ORT Trust:	provision of liquidity support.
Kfar Silver Youth Village:	provision of funding and liquidity support

### d. Foreign currency translation

The functional and presentation currency of the World ORT group is the US Dollar. It is the functional currency because most income is due in US Dollars and, in turn, the group matches as much of its commitments as possible in that currency.

World ORT Kadima Mada has the functional currency of the Israel Shekel because all of its commitments and charitable funds are in that currency.

World ORT Trust has the functional currency of the US Dollar because the majority of its commitments and all of its charitable funds are in that currency.

Transactions in non-dollar currencies are initially recorded in the functional currency rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency exchange rate ruling at the financial position date. Fixed assets are translated at the rate of the initial transaction.

Exchange differences are recognised in profit or loss in the period in which they arise.

## 2 Accounting policies (continued)

### e. Revenue

- Revenue, including donations, is recognised in the period in which World ORT is entitled to receipt and where the revenue can be reliably measured.
- Revenue from government bodies is recognised either according to contracts or where World ORT exercises control of the school.
- Unrestricted funds are available for use at the trustees' discretion in furtherance of the objectives of World ORT.
- Restricted funds are subject to specific restrictions imposed by the donor.
- Gifts in kind are included in restricted income at their fair value when received.
- International Co-operation projects are included in restricted funds and are accounted for under the same policies.
- Property income and other revenue is recognised on the accruals basis.

### f. Provisions

Provisions are recognised when World ORT or a subsidiary has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### g. Property, fixtures and equipment

Property, fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life. The rates applied are as follows:

Freehold buildings:	2% per annum on cost
Building improvements:	20% per annum on cost
Fixtures and equipment:	20% per annum on cost
Computer equipment:	33.33% per annum on cost

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their estimated recoverable amounts.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

Expenditure on fixed assets to be used on projects is charged to project costs in profit or loss in the period in which it is incurred.

### h. Leases

#### Leases as lessor

Property lease revenue is recognised in profit or loss as receipts fall due according to the contracts with the tenants.

#### Leases as lessee

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

## 2 Accounting policies (continued)

### i. **Financial assets: initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through the profit and loss account, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

State of Israel bonds are held-to-maturity investments. The other financial assets are held-for-trading subject to the overall asset-allocation policy set by the World ORT investment committee to the fund manager.

### j. **Financial assets at fair value through the profit and loss account**

Financial assets are initially recognised at fair value plus transaction costs, except in the case of financial assets recorded at fair value through the profit and loss account. All financial assets at fair value through the profit and loss account are traded in active markets and so subsequent measurement of fair value of these financial assets is determined with reference to the quoted market bid price at the close of business on the financial position date.

Any gains or losses are included with gains or loss on investments in the profit and loss account.

There are currently no financial assets held by the Group.

### k. **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Their carrying values equate to fair value by reason of their short term nature.

### l. **Receivables**

Receivables, which have terms according to their individual contracts, are recognised and carried at the lower of their original invoice amount and their recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is

objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

### m. **Accounts payable**

Accounts payable are recognised and carried at the original invoiced amount or, in the case of accruals, the anticipated amount to be invoiced. Where the time value of money is material, payables are carried at amortised cost.

### n. **Pensions and other post-employment benefits**

A subsidiary undertaking operates a defined benefit pension scheme and a defined contribution scheme. Both schemes require contributions to be made to separately administered funds.

The defined benefit plan was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. World ORT recognises the following changes in the net defined benefit obligation under Other Expenditure in consolidated statement of comprehensive activities:

## 2 Accounting policies (continued)

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income
- The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less past service costs not yet recognised and less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. The value of any plan asset recognised is restricted to the sum of any past service costs not yet recognised and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.
- The defined contribution scheme was started from 1 April 2001 and is open to all employees who have been in employment for at least three months. The assets of the scheme are held separately from those of World ORT. Contributions are charged to the statement of comprehensive activities as they become payable in accordance with the scheme rules. Differences between contributions payable in the year and the contributions actually paid are shown as either prepayments or accruals in the financial position.

### o. Fund accounting

Endowment funds are set aside for future purposes and form part of the restricted funds.

### p. Reserves

World ORT endeavour to maintain general funds to an amount equalling at least one year's expenditure excluding direct project expenditure. The trustees have established this policy in order to protect the organisation's charitable programme in the event of a reduction in World ORT's revenue or an unexpected need for additional expenditure.

### q. Project funds

Project funds are monies received from donors and partners in advance of the financial needs of the project (see note 12). Fundraising for projects is performed up to the value of the plan set out in the project proposal.

Occasionally the circumstances of a project change so that the funds received are in excess of the revised needs of the project. In these cases the policy is to offer the donor(s) an alternative project to make use of their funds.

### r. De-recognition of financial assets and liabilities

#### Financial assets

A financial asset is derecognised where the rights to receive cash flows from the asset have expired; or the rights to receive cash flows from the asset have been transferred together with substantially all the risks and rewards of the asset, or where control of the asset has been transferred.

#### Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

<b>3</b>	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
<b>3a Donations and grants</b>		
Donations restricted to specific projects	23,582	23,259
Unrestricted donations	4,343	4,076
	<u>27,925</u>	<u>27,335</u>

Included within donations restricted to specific projects are grants received from governments, institutions, and municipal authorities which are used to meet direct educational costs of the projects.

<b>3b Property</b>	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
Rents and tenant recharges	60	8
Property costs	(1,864)	(697)
	<u>(1,804)</u>	<u>(689)</u>

<b>4 Other Expenditure (Fundraising and Administration)</b>	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
Personnel	1,226	1,114
less: projects' contribution	-	142
Personnel costs (net)	1,226	1,256
Office	127	20
Travel and meetings	50	44
Project expenses	54	-
Premises and insurance	24	4
Audit and accountancy fees	104	85
Consultancy, Legal, Professional fees	327	252
	<u>1,912</u>	<u>1,661</u>

## **5 Key personnel compensation**

Key management personnel are those people having authority and responsibility for planning, directing and controlling the activities of World ORT, directly or indirectly.

	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
Short term employment benefits	524	499
Other long term pension costs	54	33
	<u>578</u>	<u>532</u>

<b>6</b>	<b>Property, fixtures and equipment</b>	<b>Freehold land and buildings</b>	<b>Building improvements</b>	<b>Fixtures, equipment &amp; computers</b>	<b>Total</b>
	<b>Cost</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
	At 1 January 2023	27,475	4,544	2,424	34,443
	Additions		3,928	384	4,312
	Revaluation	(2,005)	-	-	(2,005)
	At 31 December 2023	25,470	8,472	2,808	36,750
	<b>Depreciation</b>				
	At 1 January 2023	13,693	180	1,798	15,671
	Charge for year	-	828	283	1,112
	Ravaluation	(267)			(267)
	At 31 December 2022	13,426	1,008	2,081	16,516
	<b>Net book value At 31 December 2023</b>	<b>12,044</b>	<b>7,464</b>	<b>726</b>	<b>20,234</b>
	At 31 December 2022	13,782	4,364	626	18,772

<b>7</b>	<b>Accounts receivable</b>	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
	Revenue accrued		
	Trade receivables	208	197
	Due from affiliated ORT organisations	1,643	938
	Prepayments	204	200
	Other debtors	-	151
		<b>2,055</b>	<b>1,486</b>

<b>8</b>	<b>Cash and cash equivalents</b>	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
	Cash at bank and in hand	18,337	19,166
	Short term deposits	2,433	1,773
		<b>20,810</b>	<b>20,939</b>

		2023 US\$'000	2022 US\$'000
<b>9 Payable</b>			
Accounts payable		140	1,520
Other creditors		3,174	1,138
Taxation and social security		-	152
Accruals		7,178	5,287
		<b>10,492</b>	<b>8,097</b>

## 10 Employee post-employment benefits

World ORT has a subsidiary which operates the following pension plans:

### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charge to the Statement of Financial Activities in respect of defined contribution schemes was \$2,668 (2022: \$3,613).

### Defined benefit schemes

World ORT Trust operate a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The assets of the scheme are held separately to those of the Charity.

In the current accounting year there were no active members. The valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, ISIO Group Limited, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020, December 2021, December 2022 and December 2023. Scheme assets are stated at their Market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

In May 2022, the pension scheme insured all remaining uninsured benefits in the scheme with an insurer, through a 'buy-in' transaction where annuity contracts were bought in the name of the pension scheme trustees which remain as assets of the pension scheme, resulting in a nil defined benefit obligation. As the DBO as at 31 December 2022 and 31 December 2023 was nil, the actuaries (ISIO) have not derived any assumptions as at 31 December 2023 other than the discount rate which is to be used if disclosures are required next year.

## 11 Charitable funds

### • Restricted endowment funds

These funds are tied to particular purposes, which arise because of restrictions on their use required by the donors at the time of receipt.

### • Restricted project funds

Restricted project funds are advances by donors and Board allocations to fund specific projects or a collection of projects. The balance represents the unspent portion at the year-end. The advanced funds will be spent over the remaining lives of the projects; periods normally planned at up to four years. A restricted project is undertaken only when the planned funding requirement has been received or pledged.



## 12 Related party disclosure

During the year, World ORT incurred legal fees of \$5,792 in a firm in which a Trustee is a Partner. The fees charged were at a discount to arm's length rates and the Trustee received no financial benefit.

Donations were received from the following trustees during the year

	2023 US\$ '000	2022 US\$ '000
Conrad Giles	-	10
Judy Menikoff	5	30
Lawrence Wolfe	424	10
Howard Lanznar	5	-
	<u>434</u>	<u>50</u>

**World ORT Trust:** Restricted donations of \$1,250,000 (2022: \$nil) were received from The Maurice Hatter Foundation and were remitted in full to World ORT in the year for the Kfar Silver School project. The Maurice Hatter Foundation is related by virtue of having a common trustee.

## 13 Significant events/notes

- a. World ORT owns 50% of four buildings and 32.2% of a fifth one in Buenos Aires, Argentina. The historical value of these holdings is \$5.45M. The actual amount that was paid by World ORT was \$3.45M.  
As per the deed's conditions, these properties are currently occupied, free of charge, by ORT Argentina. Additionally, as per the deed, the buildings can only be vacated with ORT Argentina's consent.  
In 2024, World ORT received \$559k from ORT Argentina in exchange of signing over the buildings to them.
- b. On April 11, 2021, a lawsuit in the amount of NIS 3.3 million was filed against Kadima Mada Ltd by Hodayot Youth Village. In the statement of claim, it was stated that the company didn't full fill the signed obligations. On March 23, 2022, the court gave effect to a judgment for a settlement agreement between the parties. The settlement agreement states that Kadima Mada will transfer to the plaintiff a total sum of NIS2.4 million, spread over 6 years until the end of 2027. It was also agreed that donations raised for the Youth Village will be considered as payments towards the settlement. As of December 31, 2023 Kadima Mada paid NIS 800,000.
- c. In December 2020, an agreement was signed between the Ronson foundation and Kfar Silver Ltd regarding donations for renovations in the village which will be carried out in four steps
  1. Kitchen and dining room - renovation was finally completed during February 2022.
  2. Infrastructure.
  3. Beit Anana - high school.
  4. Beit Harimon - middle school.

In accordance with the agreement, the Ronson Foundation will invest 2.08 million pounds and the Norman Foundation will invest 2.5 million dollars,  
On the other hand, WORLD ORT will invest a total of 6 million dollars - so the total investment in the renovation of the village will amount to 11 million dollars.
- d. Agreement with Kiden and Kfar Silver Ltd:

On January 3, 2021, an agreement was signed with Kiden Engineering Design of Prestressed Concrete Buildings, Civil Engineering and Public Works Ltd. to receive a service of management, coordination and supervision in connection with the Ronson project.

The return - 7.2% of the cost of establishing the Ronson project, which will be paid in two phases, planning and execution, with each phase having a number of payment milestones.

- e. Agreement with Namdar Batim Ltd. (affiliated with Rosin Inc.) and with Kfar Silver Ltd:

In March 2022, an agreement was signed with Namdar Homes Ltd., to renovate the kitchen and dining room in Kfar Silver as part of the Ronson project in the amount of NIS 12.3 million including VAT.

With regards to World ORT Trust, ORT House opened in late 2023. Discussions have already begun with prospective new tenants to ensure rental income is receive