

**REGISTERED COMPANY NUMBER: 06303541 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1121469**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018  
FOR  
HASDEI AVOT CHARITABLE TRUST**

Joseph Kahan Associates LLP  
Chartered Accountants  
923 Finchley Road  
London  
NW11 7PE

**HASDEI AVOT CHARITABLE TRUST  
CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**HASDEI AVOT CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The Charity is constituted as a company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association. The Charity is registered with the Charity Commission.

The Charity's object and its principal activities must be:

To provide grants and donations for individuals or such charitable associations, bodies and organizations, for the purpose of advancing education, relieving poverty, sickness and the needs of the elderly and disabled, as the trustees in their absolute discretion must think fit.

### **Public benefit**

The trustees have carefully considered the public benefit requirements and their duty to ensure that they are compliant with them. They feel that the activities as detailed below, must more than adequately, satisfy the public benefit requirement.

The trustees must continue to operate within the confines of the charity objectives namely in the respect of the providing grants and donations to individuals or such charitable organizations for the advancement of education, relief of poverty, sickness and the need of the elderly and disabled.

The charity must provide grants to a broad section of the community and grant applications must be vetted carefully. Where the grants are given, the trustees must follow it through to ensure that the grants are used for the purposes for which they are needed.

The trustees are of the opinion that the following through of these grants ensure that the aims and objects of the charity is met.

## **ACHIEVEMENT AND PERFORMANCE**

The Trustees consider the performance of the Charity during the period to be satisfactory, and note that more voluntary donations have been received during the year to support the objective of the charity.

## **FINANCIAL REVIEW**

### **Reserves policy**

The charity's reserves policy is to maintain sufficient reserves to enable the charity to continue its activities and services at a meaningful level, should there be a drop in income. As all income is derived from voluntary donations, the trustees review this position on a regular basis.

In view of this the trustees aim to maintain a level of reserves sufficient to meet three months basic operating costs.

Having regard to the above the Trustees are of the opinion that the cash reserves held as at the year end would be sufficient to meet three months basic operating costs and, they intend to increase the reserves held in the forthcoming year.

The Statement of Financial Activities shows a net surplus for the year of £165,659 ( 2017: Deficit of £160,140). The reserves fund as at 31st December 2018 was £1,884,510 ( 2017 : £1,718,851).

## **FUTURE PLANS**

We are confident that our supporters will provide us with contributions at a level to support the objects of the charity.

**HASDEI AVOT CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Recruitment and appointment of new trustees**

All Directors of the company are also Trustees of the charity, and there are no other Trustees. All of the Trustees named on page 1 served throughout the year. The Board has the power to appoint additional Trustees as it considers fit to do so.

**Organisational structure**

The Charity is organized so that the Directors and Trustees must meet regularly to manage its affairs. There are two part time administrators, who manage the day to day administration of the Charity.

**Risk management**

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, must provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

06303541 (England and Wales)

**Registered Charity number**

1121469

**Registered office**

923 Finchley Road  
Golders Green  
London  
NW11 7PE

**Trustees**

M G Abadi	Director and Trustee
D P Lyons	Director and Trustee
Mrs F Resnik De Abadi	Director and Trustee

**Company Secretary**

Mrs F Resnik De Abadi

**Independent examiner**

Akiva Kahan FCA  
ICAEW  
Joseph Kahan Associates LLP  
Chartered Accountants  
923 Finchley Road  
London  
NW11 7PE

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**HASDEI AVOT CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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Approved by order of the board of trustees on 24 October 2019 and signed on its behalf by:

M G Abadi - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
HASDEI AVOT CHARITABLE TRUST**

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**Independent examiner's report to the trustees of Hasdei Avot Charitable Trust ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2018.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Akiva Kahan FCA  
ICAEW  
Joseph Kahan Associates LLP  
Chartered Accountants  
923 Finchley Road  
London  
NW11 7PE

Date: .....

**HASDEI AVOT CHARITABLE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
		Unrestricted	Total
		fund	funds
		£	£
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies		834,404	176,470
<b>Total</b>		<u>834,404</u>	<u>176,470</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	3		
Charitable donations and associated costs		552,778	386,566
Net Foreign exchange loss/gain		(86,454)	99,301
Finance costs		465	172
Accountancy, professional and legal fees		3,160	2,950
Loss on disposal of investment		-	2,915
<b>Total</b>		<u>469,949</u>	<u>491,904</u>
Net gains/(losses) on investments		<u>(198,796)</u>	<u>155,293</u>
<b>NET INCOME/(EXPENDITURE)</b>		165,659	(160,141)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>1,718,851</u>	<u>1,878,992</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,884,510</u></u>	<u><u>1,718,851</u></u>

**HASDEI AVOT CHARITABLE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2018**

		2018	2017
		Unrestricted	Total
		fund	funds
	Notes	£	£
<b>FIXED ASSETS</b>			
Investments	8	1,862,271	1,703,140
<b>CURRENT ASSETS</b>			
Debtors	9	5,500	-
Cash at bank		<u>25,721</u>	<u>21,533</u>
		31,221	21,533
<b>CREDITORS</b>			
Amounts falling due within one year	10	(8,982)	(5,822)
<b>NET CURRENT ASSETS</b>		<u>22,239</u>	<u>15,711</u>
<b>TOTAL ASSETS LESS CURRENT</b>			
<b>LIABILITIES</b>		<u>1,884,510</u>	<u>1,718,851</u>
<b>NET ASSETS</b>		<u>1,884,510</u>	<u>1,718,851</u>
<b>FUNDS</b>	11		
Unrestricted funds		<u>1,884,510</u>	<u>1,718,851</u>
<b>TOTAL FUNDS</b>		<u>1,884,510</u>	<u>1,718,851</u>



**HASDEI AVOT CHARITABLE TRUST**  
**STATEMENT OF FINANCIAL POSITION - CONTINUED**  
**AT 31 DECEMBER 2018**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.
- (b)

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 24 October 2019 and were signed on its behalf by:

M G Abadi -Trustee

**HASDEI AVOT CHARITABLE TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
	Notes	£	£
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>474,688</u>	<u>(368,102)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>474,688</u>	<u>(368,102)</u>
<b>Cash flows from investing activities:</b>			
Purchase of fixed asset investments		(534,404)	-
Sale of tangible fixed assets		(9,389)	(2,915)
Sale of fixed asset investments		<u>73,293</u>	<u>388,975</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(470,500)</u>	<u>386,060</u>
<b>Change in cash and cash equivalents in the reporting period</b>		4,188	17,958
<b>Cash and cash equivalents at the beginning of the reporting period</b>		21,533	3,575
<b>Cash in cash and cash equivalents due to exchange rate movements</b>		<u>(95,843)</u>	<u>99,301</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>(70,122)</u>	<u>120,834</u>

# HASDEI AVOT CHARITABLE TRUST

## NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

<b>1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
	2018 £	2017 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	165,659	(160,141)
<b>Adjustments for:</b>		
Losses/(gain) on investments	198,796	(155,293)
Loss on disposal of fixed assets	9,389	2,915
Forex gain	(95,843)	99,301
Unrealized gain	193,527	(155,674)
Increase in creditors	3,160	790
<b>Net cash provided by (used in) operating activities</b>	<u>474,688</u>	<u>(368,102)</u>

**HASDEI AVOT CHARITABLE TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. LEGAL STATUS OF THE CHARITY**

The Charity is established by a declaration of Trust dated 5th July 2007, as amended by special resolution dated 10th October 2007, a certificate of incorporation on change of name of 19th December 2007, was amended on 5th December 2017.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Income**

All income must be recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities must be recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits must be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**HASDEI AVOT CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Debtors**

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

**Cash and cash equivalents**

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Creditors**

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

**3. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 4)	Totals
	£	£	£
Charitable donations and associated costs	552,778	-	552,778
Accountancy, professional and legal fees	-	3,160	3,160
Net Foreign exchange loss/gain	-	(86,454)	(86,454)
Finance costs	-	465	465
	<u>552,778</u>	<u>(82,829)</u>	<u>469,949</u>

**HASDEI AVOT CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**4. SUPPORT COSTS**

	Finance	Governance costs	Totals
	£	£	£
Net Foreign exchange loss/gain	(95,843)	9,389	(86,454)
Finance costs	465	-	465
Accountancy, professional and legal fees	-	3,160	3,160
	<u>(95,378)</u>	<u>12,549</u>	<u>(82,829)</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Deficit on disposal of fixed asset	<u>9,389</u>	<u>2,915</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017.

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund
	£
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	<u>176,470</u>
<b>Total</b>	<u>176,470</u>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Charitable donations and associated costs	386,566
Net Foreign exchange loss/gain	99,301
Finance costs	172
Accountancy, professional and legal fees	2,950
Loss on disposal of investment	<u>2,915</u>
<b>Total</b>	<u>491,904</u>
<b>Net gains/(losses) on investments</b>	<u>155,293</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>(160,141)</u>

**HASDEI AVOT CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

Unrestricted  
fund  
£

**RECONCILIATION OF FUNDS**

<b>Total funds brought forward</b>	1,878,992
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,718,851</u>

**8. FIXED ASSET INVESTMENTS**

Listed  
investments  
£

**MARKET VALUE**

At 1 January 2018	1,703,140
Additions	534,404
Disposals	(272,089)
Revaluations	(198,796)
Exchange differences	95,612
At 31 December 2018	<u>1,862,271</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>1,862,271</u>
At 31 December 2017	<u>1,703,140</u>

The fixed asset investment are listed Ordinary Securities . The market value of the investment as at 31/12/18 was £1,862,271 (2017 : £1,703,140).

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Other debtors	<u>5,500</u>	<u>-</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Other creditors	2,872	2,872
Accruals and deferred income	<u>6,110</u>	<u>2,950</u>
	<u>8,982</u>	<u>5,822</u>

**HASDEI AVOT CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**11. MOVEMENT IN FUNDS**

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
<b>Unrestricted funds</b>			
General fund	1,718,851	165,659	1,884,510
<b>TOTAL FUNDS</b>	<u>1,718,851</u>	<u>165,659</u>	<u>1,884,510</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	834,404	(469,949)	(198,796)	165,659
<b>TOTAL FUNDS</b>	<u>834,404</u>	<u>(469,949)</u>	<u>(198,796)</u>	<u>165,659</u>

**Comparatives for movement in funds**

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
<b>Unrestricted Funds</b>			
General fund	1,878,992	(160,141)	1,718,851
<b>TOTAL FUNDS</b>	<u>1,878,992</u>	<u>(160,141)</u>	<u>1,718,851</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	176,470	(491,904)	155,293	(160,141)
<b>TOTAL FUNDS</b>	<u>176,470</u>	<u>(491,904)</u>	<u>155,293</u>	<u>(160,141)</u>



**HASDEI AVOT CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**11. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
<b>Unrestricted funds</b>			
General fund	1,878,992	5,518	1,884,510
<b>TOTAL FUNDS</b>	<u>1,878,992</u>	<u>5,518</u>	<u>1,884,510</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,010,874	(961,853)	(43,503)	5,518
<b>TOTAL FUNDS</b>	<u>1,010,874</u>	<u>(961,853)</u>	<u>(43,503)</u>	<u>5,518</u>

**12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2018.

**13. TRANSACTIONS WITH DIRECTORS AND TRUSTEES**

During the year, Gems Advisors Limited of which M G Abadi is a director, donated £nil ( 2017 : £nil) to Hasdei Avot Charitable Trust.

Other creditors totalling £2,872 (2017 : £2,872) is a loan given by Gems Advisors Limited to Hasdei Avot Charitable Trust and was still owed at the end of the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.