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**AJEX CHARITABLE FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**AJEX CHARITABLE FOUNDATION**

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**AJEX CHARITABLE FOUNDATION**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Trustees**

Ronald Shelley MBE  
Stewart Cass  
Ivan Sugarman  
Michael Bluestone  
Anthony Yadgaroff  
Stephen Pack (appointed 25 February 2021)  
David Sherman  
Jonathan Kober  
Leonard Stern  
Sheila Taylor  
Jeffrey Jay (Resigned 25 February 2021)

**Charity registered  
number**

1082148

**Principal office**

Shield House,  
Harmony Way  
London  
NW4 2BZ

**Independent auditors**

Nyman Libson Paul LLP  
Chartered Accountants  
124 Finchley Road  
London  
NW3 5JS

**Bankers**

Bank of Scotland  
600 Gorgie Road  
Edinburgh  
EH11 3XP

Barclays Bank  
PO Box 299  
Birmingham  
B1 3PF

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## AJEX CHARITABLE FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees present their annual report together with the audited financial statements of the AJEX Charitable Foundation for the year 1 January 2020 to 31 December 2020.

#### Objectives and activities

##### a. Policies and objectives

The Foundation is established to:

- To combat intolerance, prejudice and discrimination and particularly anti-Semitism through education, engagement and remembrance.
- To represent British Jewish ex-service personnel, serving military personnel and cadets.
- To assist and support British Jewish ex-service personnel and Jewish serving personnel and their dependents, who are in need, through welfare services.
- To promote understanding and goodwill between all peoples irrespective of racial, religious and ethnic considerations, through education and engagement.
- To perpetuate the memory of Jews who died in the service of the Crown, through remembrance events and educational programmes.
- To perpetuate the memory of Jews who died as victims of the holocaust, through remembrance events and educational programmes.
- To uphold the freedom and rights of Jews wherever such freedom and rights are assailed.
- To instil in Jewish youth a sense of personal duty and responsibility to the community through education.
- To promote understanding of the history of the service given by Jews to the British armed forces and ancillary services through education.
- To preserve the records and memorabilia of the existing Jewish Military Museum.
- To preserve the memories and records of British Jewish ex-service personnel by a Record of Honour.
- To encourage membership of the Royal British Legion and other non-denominational ex-service organisations and to co-operate with them to secure full pension and kindred benefits for ex-service personnel.
- To support the Jewish Committee for HM Forces and the Armed Forces Jewish Community.
- To raise funds for the furtherance of the above objects.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### Achievements and performance

##### a. Main achievements of the Charity

The Trust has continued to fulfil its main objectives by:

- (i) Assisting in the welfare of Jewish Ex-Servicemen & Women in need & their dependents. During the year 3 regular grants were made on average to 26 single individuals & 6 couples as well as individual payments to other beneficiaries. Close co-operation is made with SSAFA, Royal British Legion & other Regimental Associations.

Grants paid out of the AJEX Housing Fund during the year totalled £24,580 (2019: £23,900).

- (ii) Maintaining parades and services both in the UK and abroad in honour and memory of British Jewish ex-servicemen and women who died fighting for this country, and encouraging youth organisations in particular to participate.

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## AJEX CHARITABLE FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Achievements and performance (continued)

- (iii) Due to the Pandemic, the annual Remembrance Parade and Ceremony was a special online event this year with over 10,000 people tuning in. It included a pre-recorded small ceremony from the Cenotaph and a unique film. The online event was surrounded by a wider campaign involving primary and secondary schools and the community. Whilst we weren't able to have a physical event at the National Memorial Arboretum during National Armed Forces Week in 2020 we held our first ever innovative online event with huge success.
- (iv) Promoting education relating to the Second World War in particular by attending and speaking in schools to classes studying World War 2 as part of the National History Curriculum. These visits, however, were severely restricted due to the Pandemic. However we created a fascinating and well received series of online historical talks and special lectures throughout the year including specials for anniversaries of VE day and VJ day. These were accompanied by successful online campaigns.
- (v) Given the pandemic we were not able to continue our normal education programme showing the contribution of British Jews in the service of the Crown and the mobile exhibition. However, our online programme included zoom events for schools and community groups and other innovative programmes.
- (vi) Given the Covid Pandemic we launched a year long welfare campaign during which we called all members we had number for to check on their well being and offer support / signposting.
- (vii) We created new online channels for AJEX's work in education, remembrance and welfare promoting the organisation and its activities.

#### b. Fundraising activities and income generation

Fund raising activities, in the main, were not as successful as they should have been.

The Trustees continue to remain concerned with the shortage of regular income and are disappointed with the success of the fundraising initiatives introduced during the year. These matters remain under review. Initiatives are in hand with a view to improving income.

#### Financial review

##### a. General overview

The operating deficit for the year was £146,043 (2019: £209,529 Surplus) increased by net gains/losses on investments to a deficit of £226,816 (2019: £331,211 Surplus).

The charity holds total funds of £1,710,087 (2019: £1,936,903) of which £7,511 (2019: £32,091) was held in restricted funds at the year end.

##### b. Going concern

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

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**AJEX CHARITABLE FOUNDATION**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**c. Material investments policy**

The Trustees' investment policy is to hold a low to medium risk portfolio with the aim to achieve an income return of between 4-5% per annum.

The investment portfolio showed a return of about 4% (2019: 4%) on capital investment which was satisfactory. The Charity has no specific ethical or social investment policy.

**d. Principal risks and uncertainties**

The principal risks and uncertainties continue to be that reserves will be run down over a number of years as well as the profile of the membership.

**e. Sub-committees**

There are currently two sub-committees under the direction of the Trustees.

- (i) A Fundraising Committee under the chairmanship of Mr Jonathan Kober, a Trustee. They expect to present a fundraising programme for 2021.
- (ii) An Investment Committee under the chairmanship of Mr David Sherman, a Trustee. This Committee's objective is to improve the income of the Foundation.

At 31 December 2020 the historic cost of Investments held was £964,976 (2019: £961,335). These investments had a market value of £1,153,340 (2019: £1,230,472) at the balance sheet date.

Since 31 December 2020 and up to the date of signing the accounts, there have been two investment disposals resulting in a capital loss of £5,225. During the period the investments were held, revenue received from them totalled £18,790. From 31 December 2020 to date, three investments were purchased at a cost of £74,977. The Charity adopts a defensive Investment Policy and has again outperformed the FTSE100 during the year.

The Trustees wish to place on record their appreciation to Mr David Sherman, the Chairman of the Investment Committee, and the external Investment Advisors.

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## **AJEX CHARITABLE FOUNDATION**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Structure, governance and management**

##### **a. Constitution**

AJEX Charitable Foundation is a registered charity, number 1082148, and is constituted under a Trust deed.

The Foundation was established by AJEX - The Jewish Military Association UK (previously known as the Association of Jewish Ex-Servicemen and Women) (an unregistered Association) to administer its charitable activities, by Trust Deed dated 4 May 2000, and is an amalgamation of the funds of the AJEX Charitable Trust (Registered Charity No: 231442) and the AJEX 1984 Trust (Registered Charity No: 292217 - dissolved on 31 July 2014). The amalgamated Trust commenced its activities on 1 January 2001.

At the end of 2020 there were 10 Trustees.

The 10 Trustees offer a broad band of experience in the professional and business world. Trustees are generally recruited from the membership of AJEX - The Jewish Military Association UK (AJEX). All new Trustees are given a copy of the Governing Document, a copy of the last set of accounts and are made aware of all the charitable activities taking place.

AJEX has 17 Jewish Ex-Service branches affiliated to it throughout the country, who pay an annual affiliation fee (based on the size of membership) and who support all the charitable activities of the AJEX Charitable Foundation including donations and other fundraising. All the major activities of the Association are carried out through the AJEX Charitable Foundation.

The Trustees have identified the major risks to which the Foundation is exposed and have satisfied themselves that systems or procedures are established in order to manage those risks.

##### **b. Methods of appointment or election of Trustees**

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

##### **Plans for future periods**

The Charity plans to continue as before.

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**AJEX CHARITABLE FOUNDATION**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Response to the Covid-19 pandemic**

During the year under review, the World Health Organisation declared the Covid-19 virus to be a global pandemic and the UK Government introduced restrictions on certain activities and behaviours in an effort to prevent the virus's spread and limit its longer term impact.

These restrictions have caused disruption to AJEX, however we continue to provide support to our members, veterans and their families, and serving personnel, in any way we can.

The Trustees do not consider that the circumstances have caused any material change to the charity's ability to continue operating, nor its status as a going concern. There are sufficient reserves built up by the charity to cover a period of at least 12 months from the date of signing this report.



## AJEX CHARITABLE FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

#### Disclosure of information to auditors

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

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

#### Auditors

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office.

Approved by order of the members of the board of Trustees on  
15 June 2021 and signed on their behalf by:

Ivan Sugarman  
(Chair of Trustees)

*Ivan P. Sugarman F.C.A.*

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## AJEX CHARITABLE FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AJEX CHARITABLE FOUNDATION

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#### Opinion

We have audited the financial statements of AJEX Charitable Foundation (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## AJEX CHARITABLE FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AJEX CHARITABLE FOUNDATION (CONTINUED)

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#### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report ~~thereon~~. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

#### Responsibilities of trustees

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

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

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## AJEX CHARITABLE FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AJEX CHARITABLE FOUNDATION (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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AJEX CHARITABLE FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AJEX CHARITABLE FOUNDATION  
(CONTINUED)

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*Nyman Libson Paul LLP*

Nyman Libson Paul LLP

Chartered Accountants

124 Finchley Road

London

NW3 5JS

Date: *15 June 2021*

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**AJEX CHARITABLE FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>						
Donations and legacies	3	-	4,919	120,451	125,370	567,214
Charitable activities	4	-	-	2,360	2,360	11,900
Investments	5	-	-	38,494	38,494	51,001
<b>Total income and endowments</b>		-	4,919	161,305	166,224	630,115
<b>Expenditure on:</b>						
Raising funds		-	-	1,121	1,121	214
Charitable activities	6	-	68,650	242,496	311,146	420,372
<b>Total expenditure</b>		-	68,650	243,617	312,267	420,586
<b>Net (expenditure)/income before net (losses)/gains on investments</b>						
		-	(63,731)	(82,312)	(146,043)	209,529
<b>Net (losses)/gains on investments</b>						
		-	-	(80,773)	(80,773)	121,682
<b>Net (expenditure)/income</b>		-	(63,731)	(163,085)	(226,816)	331,211
Transfers between funds	15	-	39,151	(39,151)	-	-
<b>Net movement in funds</b>		-	(24,580)	(202,236)	(226,816)	331,211
<b>Reconciliation of funds:</b>						
Total funds brought forward		521	32,091	1,904,291	1,936,903	1,605,692
Net movement in funds		-	(24,580)	(202,236)	(226,816)	331,211
<b>Total funds carried forward</b>		521	7,511	1,702,055	1,710,087	1,936,903

The notes on pages 15 to 30 form part of these financial statements.

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**AJEX CHARITABLE FOUNDATION**

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**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

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	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	11	3,846	7,553
Investments	12	1,153,340	1,230,472
		<u>1,157,186</u>	<u>1,238,025</u>
<b>Current assets</b>			
Debtors	13	13,675	14,569
Cash at bank and in hand		581,332	742,399
		<u>595,007</u>	<u>756,968</u>
Creditors: amounts falling due within one year	14	(42,106)	(58,090)
<b>Net current assets</b>		<u>552,901</u>	<u>698,878</u>
<b>Total net assets</b>		<u><u>1,710,087</u></u>	<u><u>1,936,903</u></u>
<b>Charity funds</b>			
Endowment funds	15	521	521
Restricted funds	15	7,511	32,091
Unrestricted funds	15	1,702,055	1,904,291
<b>Total funds</b>		<u><u>1,710,087</u></u>	<u><u>1,936,903</u></u>

The financial statements were approved and authorised for issue by the Trustees on  
15 June 2021 and signed on their behalf by:

**Ivan Sugarman**  
(Chair of Trustees)

The notes on pages 15 to 30 form part of these financial statements.

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**AJEX CHARITABLE FOUNDATION**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(195,920)	147,867
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	38,494	51,001
Purchase of tangible fixed assets	-	(1,848)
Proceeds from sale of investments	347,528	-
Purchase of investments	(351,169)	(50,256)
<b>Net cash provided by/(used in) investing activities</b>	34,853	(1,103)
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	(161,067)	146,764
Cash and cash equivalents at the beginning of the year	742,399	595,635
<b>Cash and cash equivalents at the end of the year</b>	581,332	742,399

The notes on pages 15 to 30 form part of these financial statements



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## AJEX CHARITABLE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General Information

AJEX Charitable Foundation is a charity, founded in England and Wales, charity number 1082148. The address of the principal office is Shield House, Harmony Way, London, NW4 2BZ.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

AJEX Charitable Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The trustees have reviewed the circumstances of the charity, taking into account the financial effects of the ongoing pandemic on its operations, and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### 2.3 Income

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

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

Donations from third parties are accounted for on a receipts basis and those from branches on a receivable basis.

Investment income is accounted for on a receivable basis.

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

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## AJEX CHARITABLE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

##### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Office equipment	-	25% reducing balance
Computer equipment	-	25% straight line

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Statement of Financial Position date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

##### 2.7 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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## AJEX CHARITABLE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.8 Debtors

Trade and other debtors are recognised at the settlement amount and prepayments are valued at the amount prepaid.

##### 2.9 Cash at bank and in hand

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

##### 2.10 Liabilities and provisions

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

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

##### 2.11 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value.

##### 2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds must be specifically used for investment purposes, with any income earned being available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**3. Income from donations and legacies**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Donations	4,919	30,817	35,736
Legacies	-	86,468	86,468
Branch affiliation fees	-	3,166	3,166
	<u>4,919</u>	<u>120,451</u>	<u>125,370</u>

  

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Donations	23,711	29,604	53,315
Legacies	-	507,418	507,418
Branch affiliation fees	-	6,481	6,481
	<u>23,711</u>	<u>543,503</u>	<u>567,214</u>

**4. Income from charitable activities**

	Unrestricted funds 2020 £	Total funds 2020 £
Income from charitable activities - Remembrance	200	200
Income from charitable activities - Other	113	113
Income from charitable activities - Membership	2,047	2,047
	<u>2,360</u>	<u>2,360</u>

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**4. Income from charitable activities (continued)**

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Income from charitable activities - Remembrance	9,300	9,300
Income from charitable activities - Other	(191)	(191)
Income from charitable activities - Membership	2,791	2,791
	<u>11,900</u>	<u>11,900</u>

**5. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment income	<u>38,494</u>	<u>38,494</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income	<u>51,001</u>	<u>51,001</u>

**AJEX CHARITABLE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Remembrance	-	178,845	178,845
Welfare	68,650	39,340	107,990
Jewish Military Museum	-	17,443	17,443
Record of Honour	-	6,868	6,868
	<u>68,650</u>	<u>242,496</u>	<u>311,146</u>

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Remembrance	-	280,261	280,261
Welfare	64,595	48,040	112,635
Jewish Military Museum	-	19,440	19,440
Record of Honour	-	8,036	8,036
	<u>64,595</u>	<u>355,777</u>	<u>420,372</u>

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Remembrance	38,581	140,264	178,845
Welfare	69,399	38,591	107,990
Jewish Military Museum	12,589	4,854	17,443
Record of Honour	749	6,119	6,868
	<u>121,318</u>	<u>189,828</u>	<u>311,146</u>

**AJEX CHARITABLE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Remembrance	110,124	170,137	280,261
Welfare	66,042	46,593	112,635
Jewish Military Museum	12,700	6,740	19,440
Record of Honour	1,447	6,589	8,036
	<u>190,313</u>	<u>230,059</u>	<u>420,372</u>

**Analysis of direct costs**

	<b>Remembrance 2020 £</b>	<b>Welfare 2020 £</b>	<b>Jewish Military Museum 2020 £</b>	<b>Record of Honour 2020 £</b>	<b>Total funds 2020 £</b>
Donations to JMM Ltd re: Jewish Museum	-	-	12,589	-	12,589
Annual remembrance parade	15,242	-	-	-	15,242
Welfare grants and expenses	-	68,650	-	-	68,650
Other commemorations	7,899	-	-	-	7,899
Donation - Friends of Jewish Servicemen	1,939	-	-	-	1,939
Travel and subsistence	11,259	625	-	625	12,509
NEC/Branch expenses	2,242	124	-	124	2,490
	<u>38,581</u>	<u>69,399</u>	<u>12,589</u>	<u>749</u>	<u>121,318</u>

**AJEX CHARITABLE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Remembrance 2019 £</i>	<i>Welfare 2019 £</i>	<i>Jewish Military Museum 2019 £</i>	<i>Record of Honour 2019 £</i>	<i>Total funds 2019 £</i>
Donations to JMM Ltd re: Jewish Museum	-	-	12,700	-	12,700
Annual remembrance parade	70,113	-	-	-	70,113
Welfare grants and expenses	-	64,595	-	-	64,595
Other commemorations	11,964	-	-	-	11,964
Donation - Friends of Jewish Servicemen	2,000	-	-	-	2,000
Travel and subsistence	23,451	1,303	-	1,303	26,057
NEC/Branch expenses	2,596	144	-	144	2,884
	<u>110,124</u>	<u>66,042</u>	<u>12,700</u>	<u>1,447</u>	<u>190,313</u>

**Analysis of support costs**

	<i>Remembrance 2020 £</i>	<i>Welfare 2020 £</i>	<i>Jewish Military Museum 2020 £</i>	<i>Record of Honour 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	66,496	17,732	4,434	-	88,662
Depreciation	2,780	741	-	186	3,707
Premises Costs	14,003	3,734	-	934	18,671
General office costs	25,889	7,768	-	3,328	36,985
Communications & publications	7,290	2,243	-	562	10,095
Legal and professional fees	16,519	4,405	-	1,101	22,025
Presentations and community relations	840	280	-	-	1,120
Audit fees	6,300	1,680	420	-	8,400
Bank charges	147	8	-	8	163
	<u>140,264</u>	<u>38,591</u>	<u>4,854</u>	<u>6,119</u>	<u>189,828</u>



# AJEX CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 7. Analysis of expenditure by activities (continued)

#### Analysis of support costs (continued)

	<i>Rememberance</i> 2019 £	<i>Welfare</i> 2019 £	<i>Jewish Military Museum</i> 2019 £	<i>Record of Honour</i> 2019 £	<i>Total funds</i> 2019 £
Staff costs	94,710	25,255	6,314	-	126,279
Depreciation	5,366	1,431	-	358	7,155
Premises Costs	20,333	5,421	-	1,356	27,110
General office costs	33,696	10,110	-	4,332	48,138
Communications & publications	1,387	427	-	107	1,921
Legal and professional fees	6,272	1,672	-	418	8,362
Presentations and community relations	1,665	555	-	-	2,220
Audit fees	6,390	1,704	426	-	8,520
Bank charges	318	18	-	18	354
	<u>170,137</u>	<u>46,593</u>	<u>6,740</u>	<u>6,589</u>	<u>230,059</u>

### 8. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor in respect of:		
The auditing of accounts of associates of the Charity	<u>8,400</u>	<u>8,220</u>

### 9. Staff costs

	2020 £	2019 £
Wages and salaries	82,666	121,317
Social security costs	5,996	4,962
	<u>88,662</u>	<u>126,279</u>

No ex-gratia payments were made in 2020 (2019: £25,000 ex-gratia payment to retiring CEO in recognition of services to the charity)

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9. Staff costs (continued)**

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Employees	<u>4</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

AJEX Charitable foundation relies on the contribution of unpaid general volunteers in carrying out their activities. The foundation is indebted to the volunteers without whom it would not be able to carry out all its activities such as organising parades, fundraising and welfare.

During the year key management personnel received remuneration and benefits amounting to £64,311

**10. Trustees' remuneration and expenses**

During the year ended 31 December 2020, expenses incurred totalling £1,639 were reimbursed to 2 Trustees (2019 - £8,939 to 4 Trustees) for travel expenses and 1 (2019: 0) trustee was paid £6,850 in respect of bookkeeping and accountancy services.

**11. Tangible fixed assets**

	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	23,063	17,802	40,865
At 31 December 2020	<u>23,063</u>	<u>17,802</u>	<u>40,865</u>
<b>Depreciation</b>			
At 1 January 2020	17,936	15,376	33,312
Charge for the year	1,282	2,425	3,707
At 31 December 2020	<u>19,218</u>	<u>17,801</u>	<u>37,019</u>
<b>Net book value</b>			
At 31 December 2020	<u>3,845</u>	<u>1</u>	<u>3,846</u>
At 31 December 2019	<u>5,127</u>	<u>2,426</u>	<u>7,553</u>

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**12. Fixed asset investments**

	Listed investments £
<b>Cost or valuation</b>	
At 1 January 2020	1,230,472
Additions	350,852
Disposals	(347,211)
Revaluations	(80,773)
<b>At 31 December 2020</b>	<u><u>1,153,340</u></u>
<b>Net book value</b>	
<b>At 31 December 2020</b>	<u><u>1,153,340</u></u>
<i>At 31 December 2019</i>	<u><u>1,230,472</u></u>

**13. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Other debtors	2,143	2,223
Prepayments and accrued income	11,532	12,346
	<u><u>13,675</u></u>	<u><u>14,569</u></u>

**14. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Loans from AJEX Branches	11,816	16,316
Other taxation and social security	2,595	2,918
Other creditors	6,501	4,280
Accruals and deferred income	21,194	34,576
	<u><u>42,106</u></u>	<u><u>58,090</u></u>

AJEX CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Remembrance reserves	207,409	-	-	-	-	207,409
<b>General funds</b>						
General Funds - all funds	1,696,882	161,305	(243,617)	(39,151)	(80,773)	1,494,646
<b>Total Unrestricted funds</b>	<u>1,904,291</u>	<u>161,305</u>	<u>(243,617)</u>	<u>(39,151)</u>	<u>(80,773)</u>	<u>1,702,055</u>
<b>Endowment funds</b>						
Endowment Funds - all funds	521	-	-	-	-	521
<b>Restricted funds</b>						
AJEX Housing association fund	32,091	-	(24,580)	-	-	7,511
Welfare fund	-	4,919	(44,070)	39,151	-	-
	<u>32,091</u>	<u>4,919</u>	<u>(68,650)</u>	<u>39,151</u>	<u>-</u>	<u>7,511</u>
<b>Total of funds</b>	<u><u>1,936,903</u></u>	<u><u>166,224</u></u>	<u><u>(312,267)</u></u>	<u><u>-</u></u>	<u><u>(80,773)</u></u>	<u><u>1,710,087</u></u>

**AJEX CHARITABLE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Remembrance reserves	207,409	-	-	-	-	207,409
<b>General funds</b>						
General Funds	1,341,771	606,404	(355,991)	(16,984)	121,682	1,696,882
<b>Total Unrestricted funds</b>	1,549,180	606,404	(355,991)	(16,984)	121,682	1,904,291
<b>Endowment funds</b>						
Endowment Fund	521	-	-	-	-	521
<b>Restricted funds</b>						
AJEX Housing Association fund	55,991	-	(23,900)	-	-	32,091
Welfare Fund	-	23,711	(40,695)	16,984	-	-
	55,991	23,711	(64,595)	16,984	-	32,091
<b>Total of funds</b>	1,605,692	630,115	(420,586)	-	121,682	1,936,903

**16. Designated funds**

The designated fund is for the purpose of funding the remembrance, education and heritage activities of the AJEX Charitable Foundation together with any administration expenses relating thereto.

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**17. Endowment fund**

This fund represents the fixed capital of the Trust which cannot, in effect, be spent and is represented at the year end as cash at bank.

**18. Restricted funds**

From time to time, monies are received for specific purposes and these are accounted for separately within the Statement of Financial Activities. Generally, these amounts are spent in the year of receipt. However, where this is not the case, these monies are held as cash in restricted funds until such time as they are expended in accordance with the specified purpose.

Where such funds are used for capital purposes, the asset is capitalised in unrestricted funds and the restriction is deemed to be satisfied. An appropriate transfer is then made to unrestricted funds.

The AJEX Housing Association Fund represents monies received from AJEX Housing Association which must be applied for housing purposes in respect of Jewish ex servicemen and women.

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,846	3,846
Fixed asset investments	-	-	1,153,340	1,153,340
Current assets	521	7,511	586,975	595,007
Creditors due within one year	-	-	(42,106)	(42,106)
<b>Total</b>	<b>521</b>	<b>7,511</b>	<b>1,702,055</b>	<b>1,710,087</b>

**Analysis of net assets between funds - prior period**

	Endowment funds 2019 £	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	7,553	7,553
Fixed asset investments	-	-	1,230,472	1,230,472
Current assets	521	32,091	724,356	756,968
Creditors due within one year	-	-	(58,090)	(58,090)
<b>Total</b>	<b>521</b>	<b>32,091</b>	<b>1,904,291</b>	<b>1,936,903</b>

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**AJEX CHARITABLE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**19. Analysis of net assets between funds (continued)**

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

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(226,816)	331,211
<b>Adjustments for:</b>		
Depreciation charges	3,707	7,155
(Gains)/losses on investments	80,773	(121,682)
Dividends, interests and rents from investments	(38,494)	(51,001)
Decrease in stocks	-	1,200
Decrease in debtors	894	6,110
Decrease in creditors	(15,984)	(25,126)
<b>Net cash provided by/(used in) operating activities</b>	<b>(195,920)</b>	<b>147,867</b>

**21. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	581,332	742,399
<b>Total cash and cash equivalents</b>	<b>581,332</b>	<b>742,399</b>

**22. Analysis of changes in net debt**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	742,399	(161,067)	581,332
	<b>742,399</b>	<b>(161,067)</b>	<b>581,332</b>

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## AJEX CHARITABLE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 23. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	6,200	5,789
Later than 1 year and not later than 5 years	24,800	-
	<u>31,000</u>	<u>5,789</u>

#### 24. Related party transactions

During the year, the charity received £13,923 (2019: £9,966) in donations from AJEX Branches and £3,166 (2019: £6,481) from AJEX Branch affiliation fees.

At the year end, the charity owed £11,816 (2019: £16,324) to AJEX Branches and were due £2,143 (2019: £2,143) from AJEX General Fund.

During the year, the foundation made donations of £16,950 (2019: £12,708) to the Jewish Military Museum Limited, a company in which R. Shelley, L. Stern and I. Sugarman, all trustees, are also directors.

#### 25. Governance and Risk Mitigation

All communications between Ajax and those who request our support is entirely confidential. DBS screening is undertaken for Ajax representatives who may be in contact with vulnerable beneficiaries and any welfare reports generated whether for internal or external purposes are anonymised. We follow the guidance of the UK Information Commissioners Office in respect of our records and communication with beneficiaries. Those records are held electronically in an encrypted format. Ajax adheres to the governance standards established by COBSEO communicating with other Charities only when essential with specific consent and via a dedicated CMS hosted by SSAFA.

A Welfare Subject Matter expert is employed by the Charity.

Cheques and all Financial Instruments for value over a nominal sum must contain at least two authorised signatories.

An Investment Committee of at least four Trustees hold regular meetings and a detailed report on the entire Portfolio is produced monthly.

In the event of a Network failure it is confirmed that all input will have been backed up.

The Charity is now insured against Cyber attack.