

THE TIKVAH TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 NOVEMBER 2021



4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

THE TIKVAH TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------|--|--|
| Trustees | Mr D Kellard Mrs J Kellard Mr N A May Mr S Kellard Ms B Turner Mr S Dowding | (Appointed 20 January 2021) (Appointed 20 January 2021) |
|-----------------|--|--|

| | |
|-----------------------|---------|
| Charity number | 1094524 |
|-----------------------|---------|

| | |
|--------------------------|---|
| Principal address | Flat 2 The Orchard 12 Balcombe Road Branksome Park Poole Dorset BH13 6DY |
|--------------------------|---|

| | |
|-----------------------------|--|
| Independent examiner | Harrisons Chartered Accountants 4 Brackley Close Bournemouth International Airport Christchurch Dorset BH23 6SE |
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THE TIKVAH TRUST

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THE TIKVAH TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2021

The trustees present their annual report and financial statements for the year ended 30 November 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objectives are to support charitable institutions or works that are engaged in the advancement of the tenets of the Christian faith or that help provide relief for the poor and needy, in the United Kingdom and overseas.

The policy adopted in furtherance of the objectives of the charity is to make charitable donations within the scope of the income received during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Donations received during the year total £47,027 (2020: £32,083). This along with funds held from previous years has entitled the charity to make gifts to institutions and other parties in the year totalling £77,233 (2020: £92,050), furthering the objectives of the charity.

The year ending 30 November 2021 has been a significant one of progress on many fronts as we work to see Tikvah's impact in poverty alleviation burgeon in the face of new challenges across the world.

On the Home Front it has been a delight to welcome two new Trustees to the Board. Bethany Turner, a Hampshire based social worker who with her husband leads Manna Project, an agricultural Community Interest Company serving vulnerable adults and families, brings a wealth of expertise and practical experience to our team. Likewise, Dorset born Sam Dowding, who has worked in cross-cultural poverty alleviation in Africa and lived in Asia for ten years strengthens our field presence adding practical skills from his background in landscaping, and mission.

The addition of these two gifted people, alongside that of local businessman Steven Kellard three years' ago, complements the original, long-standing trio of Trustees to create an energetic and united Board seeking to extend the Trust's impact amongst the neediest communities of the world.

As we seek to grow from being a small, family-business-established grant-making trust to an increasingly active charity which operates in dynamic partnerships in the field, we seek to maintain the foundation established by founders Pat and Jenny Kellard, rooted in the Christian Gospel and seeking to emulate the compassion of the Lord Jesus, as we develop to meet the challenges of a rapidly changing world. Practical house-keeping matters such as a robust Conflict of Interests Policy and Investment Policy have been instituted this year, as well as receiving the affirmation of the Charity Commission to for one Trustee to be employed as a Field Officer to give "feet on the ground" in the places in which we are active globally.

In response to the Investment policy approval to expand our investments into property was put in process this accounting year and we will report further on that in subsequent accounts.

Turning to the Field Operation, this year has been the second in which the pandemic has severely restricted movement between nations. Happily, we have maintained a field presence for all but the last six weeks of the year, in Palawan Philippines. This has enabled the Trust to target impact to the neediest groups, most severely affected by the economic fall-out of lockdowns. Our work amongst the Badjao sea-nomads settlement has been life-changing for many as deliveries of vital protein and vitamin rich food has been delivered to every household on numerous occasions. During the worst ravages of COVID-19, deliveries of PPE, soap, gloves and hand sanitiser helped prevent the virus spreading through the densely populated community.

THE TIKVAH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2021

Likewise, we have been able to provide a regular presence in local government children's and young offenders institutions where COVID related budget cuts was threatening the children's nutrition, and staff cuts threatening social and educational deprivation. Food deliveries, education and agricultural training have all enriched the lives of these vulnerable and often neglected children and young people.

With the exponential rise in unemployment as lockdown took its toll was met by a new initiative of small business loans to help job-less people create their own livelihoods through small stores, mobile hairdressing work and snack vending. This was a pilot project we seek to expand as healthier and more transformational alternative to hand-outs.

Another exciting development took place in September and October as Tikvah's longstanding partner KNA ("The Father's Refuge") ceased to operate in order to be succeeded by Tikvah Inc. which is a non-profit Company established to pioneer sustainable agricultural techniques and train the disadvantaged rural poor in order to give opportunities to ascend from poverty.

It has been a highly significant year for Tikvah Trust as we have been able to form a robust base for established and new projects across the globe. Plans to resume our face-to-face activities in many other nations in south-east Asia and beyond are in place as travel restrictions recede and we look forward to reporting on these in due course.

Financial review

During the year the charity generated a deficit on the unrestricted funds of £65,174 (2020: £73,026) however due to loan notes received during 2015 the general unrestricted funds totalled £5,641,286 (2020: £5,706,460) at the balance sheet date.

The restricted funds show net income of £16,186 (2020: net expenditure of £57) for the year. This represents specific donations collected during the year paid out to charitable organisations after the year end.

It is the policy of the charity to spend income which becomes available to it, at the trustees' discretion, in furtherance of the trust's objectives, whilst maintaining funds at a level that will provide sufficient monies to cover all management, administration and support costs, together with any other commitment that has been entered into from time to time.

The funds are therefore maintained at a level equal to at least that described above through the year.

The principal risks faced by the Trust lie in operational risks from ineffective grant making and the capacity of the Trust to make effective grants.

The charity is committed to continuing to provide support to charitable institutions, works of the tenets of the Christian faith or that help provide relief for the poor and needy, in the United Kingdom and overseas.

Additional funding has been secured for the coming years in terms of the receipt by the charity of £3,999,995 of Loan Notes during 2015. It is hoped that the correct investment of these funds and its associated income will help further the reach of the charity's activities.

Structure, governance and management

The charity is governed by a charitable Trust Deed made by P Kellard, J A Kellard and D J Kellard on 18 March 2002 amended by deeds dated 30 December 2017 and 10 June 2021.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D Kellard

Mrs J Kellard

Mr N A May

Mr S Kellard

Ms B Turner

Mr S Dowding

(Appointed 20 January 2021)

(Appointed 20 January 2021)

THE TIKVAH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2021

New Trustees are recruited and appointed at the discretion of the existing Trustees of the charity.

The trustees' report was approved by the Board of Trustees.

Mr D Kellard

Trustee

Dated: 30 September 2022

THE TIKVAH TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE TIKVAH TRUST

I report to the trustees on my examination of the financial statements of The Tikvah Trust (the charity) for the year ended 30 November 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Harrisons Chartered Accountants

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

Dated: 30 September 2022

THE TIKVAH TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2021

| | Notes | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Income from: | | | | | | | |
| Donations and legacies | 3 | - | 47,027 | 47,027 | 20 | 32,063 | 32,083 |
| Investments | 4 | 28,729 | - | 28,729 | 30,942 | - | 30,942 |
| Total income | | 28,729 | 47,027 | 75,756 | 30,962 | 32,063 | 63,025 |
| Expenditure on: | | | | | | | |
| Charitable activities | 5 | 93,973 | 30,841 | 124,814 | 102,637 | 32,120 | 134,757 |
| Net (expenditure)/income for the year/ Net (outgoing)/incoming resources | | (65,244) | 16,186 | (49,058) | (71,675) | (57) | (71,732) |
| Other recognised gains and losses | | | | | | | |
| Other gains or losses | 9 | 70 | - | 70 | (1,351) | - | (1,351) |
| Net movement in funds | | (65,174) | 16,186 | (48,988) | (73,026) | (57) | (73,083) |
| Fund balances at 1 December 2020 | | 5,706,460 | 4,614 | 5,711,074 | 5,779,486 | 4,671 | 5,784,157 |
| Fund balances at 30 November 2021 | | 5,641,286 | 20,800 | 5,662,086 | 5,706,460 | 4,614 | 5,711,074 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE TIKVAH TRUST

BALANCE SHEET

AS AT 30 NOVEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 1,139 | | 1,640 |
| Current assets | | | | | |
| Debtors | 11 | 25,621 | | 12,587 | |
| Cash at bank and in hand | | 5,639,133 | | 5,700,054 | |
| | | <u>5,664,754</u> | | <u>5,712,641</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(3,807)</u> | | <u>(3,207)</u> | |
| Net current assets | | | 5,660,947 | | 5,709,434 |
| Total assets less current liabilities | | | <u>5,662,086</u> | | <u>5,711,074</u> |
| Income funds | | | | | |
| Restricted funds | 13 | | 20,800 | | 4,614 |
| Unrestricted funds | | | 5,641,286 | | 5,706,460 |
| | | | <u>5,662,086</u> | | <u>5,711,074</u> |

The financial statements were approved by the Trustees on 30 September 2022

Mr D Kellard
Trustee

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1 Accounting policies

Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Flat 2, The Orchard, 12 Balcombe Road, Branksome Park, Poole, Dorset, BH13 6DY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, noncharitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|----------------|-----------------------|
| Equipment | 4 years straight line |
| Motor vehicles | 25% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/ (expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

3 Donations and legacies

| | Restricted funds | Unrestricted funds | Restricted funds | Total |
|---------------------|---------------------|-----------------------|---------------------|-----------|
| | 2021 £ | 2020 £ | 2020 £ | 2020 £ |
| Donations and gifts | 47,027 | 20 | 32,063 | 32,083 |

4 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2021 £ | 2020 £ |
| Interest receivable | 28,729 | 30,942 |

5 Charitable activities

| | Grant funding charitable activities 2021 £ | Grant funding charitable activities 2020 £ |
|--|---|---|
| Depreciation and impairment | 380 | 506 |
| Direct charitable expenditure | 31,760 | 30,797 |
| Tikvah Farm Project costs | 4,167 | 1,567 |
| | 36,307 | 32,870 |
| Grant funding of activities (see note 6) | 77,233 | 92,050 |
| Share of governance costs (see note 7) | 11,274 | 9,837 |
| | 124,814 | 134,757 |
| Analysis by fund | | |
| Unrestricted funds | 93,973 | 102,637 |
| Restricted funds | 30,841 | 32,120 |
| | 124,814 | 134,757 |

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

6 Grants payable

| | Grant funding charitable activities | Grant funding charitable activities |
|------------------------------------|--|--|
| | 2021 £ | 2020 £ |
| Support of Charitable Institutions | 77,233 | 92,050 |

Grant funding charitable activities

The grant funding activities costs above relate to grants made to charitable institutions. These charitable institutions undertake activities or projects in the advancement of the tenets of the Christian Faith or that help provide relief for the poor and needy, which is congruent with the objectives of the charity.

7 Support costs

| | Support & Governance costs 2021 £ | Support & Governance costs 2020 £ |
|---|---|---|
| Legal and professional | 11,274 | 9,837 |
| | 11,274 | 9,837 |
| Analysed between Charitable activities | 11,274 | 9,837 |

Governance costs includes independent examination fees of £3,312 (2020- £4,191).

8 Trustees

No Trustee received any remuneration for their services as trustee during the current or previous year.

No expenses were reimbursed to any Trustee during the current or previous year, other than as disclosed in the related party note.

9 Other gains or losses

| | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|-----------------------------------|------------------------------------|------------------------------------|
| Foreign exchange (gains) / losses | (70) | 1,351 |

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

10 Tangible fixed assets

| | Equipment £ | Motor vehicles £ | Total £ |
|------------------------------------|----------------|---------------------|------------|
| Cost | | | |
| At 1 December 2020 | 2,183 | 4,800 | 6,983 |
| At 30 November 2021 | 2,183 | 4,800 | 6,983 |
| Depreciation and impairment | | | |
| At 1 December 2020 | 2,062 | 3,281 | 5,343 |
| Depreciation charged in the year | 121 | 380 | 501 |
| At 30 November 2021 | 2,183 | 3,661 | 5,844 |
| Carrying amount | | | |
| At 30 November 2021 | - | 1,139 | 1,139 |
| At 30 November 2020 | 121 | 1,519 | 1,640 |

11 Debtors

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Other debtors | 15 | - |
| Prepayments and accrued income | 25,606 | 12,587 |
| | 25,621 | 12,587 |

12 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|-----------|-----------|
| Other creditors | 666 | 32 |
| Accruals and deferred income | 3,141 | 3,175 |
| | 3,807 | 3,207 |

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | |
|----------|----------------------------------|-----------------------|-----------------------|-----------------------------------|
| | Balance at 1 December 2020 | Incoming resources | Resources expended | Balance at 30 November 2021 |
| | £ | £ | £ | £ |
| KNA Fund | 4,614 | 47,027 | (30,841) | 20,800 |

| | Movement in funds | | | |
|----------|----------------------------------|-----------------------|-----------------------|----------------------------------|
| | Balance at 1 December 2019 | Incoming resources | Resources expended | Balance at 1 December 2020 |
| | £ | £ | £ | £ |
| KNA Fund | 4,671 | 32,063 | (32,120) | 4,614 |

The KNA fund is a restricted fund for the purpose of providing support to Kanlungan Ng Ama (KNA), an organisation in the Philippines which gives aid to children on the island of Palawan.

14 Analysis of net assets between funds

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 30 November 2021 are represented by: | | | | | | |
| Tangible assets | 1,139 | - | 1,139 | 1,640 | - | 1,640 |
| Current assets/(liabilities) | 5,640,147 | 20,800 | 5,660,947 | 5,704,820 | 4,614 | 5,709,434 |
| | 5,641,286 | 20,800 | 5,662,086 | 5,706,460 | 4,614 | 5,711,074 |

THE TIKVAH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

15 Related party transactions

Transactions with related parties

Mr D J Kellard was a Trustee of the charity throughout the current and previous year. During the year expenditure of £3,411 (2020: £2,446) relating to travel, subsistence and other direct charitable costs were incurred by Mr D J Kellard on behalf of The Tikvah Trust in connection with its projects in the Philippines, Thailand, Laos and Myanmar. Mr D J Kellard was also paid £28,350 (2020: £28,350) in relation to consultancy services provided outside of his normal trustee duties.

Mr S Dowding was a Trustee of the charity from January 2021. He is also a director of the Kanlungan Ng Ama (KNA) referred to in note 13 above. During the year donations totalling £47,027 were received from donors for this organisation. The total of grants paid and collected donations paid to Kanlungan Ng Ama (KNA) by The Tikvah Trust was £45,733.

Mr S A Kellard was a Trustee of the charity throughout the current and previous year. During the year he was paid £nil (2020: £108) in respect of administrative services.

The aggregate total of donations received from trustees with no specific conditions during the year was £13,033 (2020: £13,706).