

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

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
HASDEI AVOT CHARITABLE TRUST

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

HASDEI AVOT CHARITABLE TRUST
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FOR THE YEAR ENDED 31ST DECEMBER 2020

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HASDEI AVOT CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

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 31st December 2020. 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 2019).

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.

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.

The trustees have considered the effect of the COVID-19 outbreak that has been spreading throughout the world in early 2020 on the Charity's activities. The assessment related to disruption that might be caused to the Charity's operations. At the date of approval of these financial statements, the trustees have assessed the extent and quantum of the disruption which remains uncertain at this time. The trustees have prepared cash flow forecasts and profit projections which demonstrate the charity can continue as a going concern.

The Statement of Financial Activities shows a net deficit for the year of £11,891 (2019: £102,338).The reserves fund as at 31st December 2020 was £1,770,281 (2019 : £1,782,172).

HASDEI AVOT CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

FUTURE PLANS

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

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
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

HASDEI AVOT CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

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

Approved by order of the board of trustees on 26th September 2021 and signed on its behalf by:

M G Abadi - Trustee

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

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 31st December 2020.

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:September 2021

HASDEI AVOT CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		332,629	374,500
Investment income	3	8,206	686
Total		340,835	375,186
 EXPENDITURE ON			
Charitable activities	4		
Charitable donations and associated costs		493,744	498,509
Net Foreign exchange loss/gain		94,942	23,520
Finance costs		480	530
Accountancy, professional and legal fees		3,834	3,359
(Gain)/Loss on disposal of investment		79,543	(9,861)
Total		672,543	516,057
Net gains on investments		319,817	38,533
NET INCOME/(EXPENDITURE)		(11,891)	(102,338)
 RECONCILIATION OF FUNDS			
Total funds brought forward		1,782,172	1,884,510
 TOTAL FUNDS CARRIED FORWARD		1,770,281	1,782,172

The notes form part of these financial statements

HASDEI AVOT CHARITABLE TRUST

**STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2020**

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Investments	10	1,711,747	1,703,859
CURRENT ASSETS			
Debtors	11	4,200	5,000
Cash at bank		60,206	79,185
		<u>64,406</u>	<u>84,185</u>
CREDITORS			
Amounts falling due within one year	12	(5,872)	(5,872)
		<u>58,534</u>	<u>78,313</u>
NET CURRENT ASSETS			
		<u>1,770,281</u>	<u>1,782,172</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>1,770,281</u>	<u>1,782,172</u>
NET ASSETS			
		<u>1,770,281</u>	<u>1,782,172</u>
FUNDS	13		
Unrestricted funds		<u>1,770,281</u>	<u>1,782,172</u>
TOTAL FUNDS		<u>1,770,281</u>	<u>1,782,172</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2020 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
- (b) 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.

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 and authorised for issue on 26th September 2021 and were signed on its behalf by:

M G Abadi - Trustee

The notes form part of these financial statements

HASDEI AVOT CHARITABLE TRUST

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

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(488,658)	(154,028)
Net cash used in operating activities		(488,658)	(154,028)
Cash flows from investing activities			
Purchase of fixed asset investments		(591,353)	(1,703,859)
Sale of tangible fixed assets		(79,543)	9,861
Sale of fixed asset investments		1,132,369	1,900,804
Interest received		124	686
Dividends received		8,082	-
Net cash provided by investing activities		469,679	207,492
Change in cash and cash equivalents in the reporting period		(18,979)	53,464
Cash and cash equivalents at the beginning of the reporting period		79,185	25,721
Cash and cash equivalents at the end of the reporting period		60,206	79,185

The notes form part of these financial statements

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(11,891)	(102,338)
Adjustments for:		
Gain on investments	(319,817)	(38,533)
Loss/(profit) on disposal of fixed assets	79,543	(9,861)
Interest received	(124)	(686)
Dividends received	(8,082)	-
Unrealized gain	(229,087)	-
Decrease in debtors	800	500
Decrease in creditors	-	(3,110)
Net cash used in operations	<u>(488,658)</u>	<u>(154,028)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank	79,185	(18,979)	60,206
	<u>79,185</u>	<u>(18,979)</u>	<u>60,206</u>
Total	<u>79,185</u>	<u>(18,979)</u>	<u>60,206</u>

The notes form part of these financial statements

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

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 2019)', 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.

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

HASDEI AVOT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

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. INVESTMENT INCOME

During the year, there was a disposal of the investment held which resulted in the loss on disposal amounting to £79,543 (2019 : profit of £9,861).

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Charitable donations and associated costs	493,744	-	493,744
Net Foreign exchange loss/gain	-	94,942	94,942
Finance costs	-	480	480
Accountancy, professional and legal fees	-	3,834	3,834
(Gain)/Loss on disposal of investment	-	79,543	79,543
	<u>493,744</u>	<u>178,799</u>	<u>672,543</u>

HASDEI AVOT CHARITABLE TRUST

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

5. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Net Foreign exchange loss/gain	94,942	-	94,942
Finance costs	480	-	480
Accountancy, professional and legal fees	-	3,834	3,834
(Gain)/Loss on disposal of investment	-	79,543	79,543
	<u>95,422</u>	<u>83,377</u>	<u>178,799</u>

6. NET INCOME/(EXPENDITURE)

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

	2020 £	2019 £
(Deficit)/surplus on disposal of fixed assets	<u>79,543</u>	<u>(9,861)</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

8. STAFF COSTS

There were no employees during the year. (2019: NIL)

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	374,500
Investment income	<u>686</u>
Total	<u>375,186</u>
EXPENDITURE ON	
Charitable activities	
Charitable donations and associated costs	498,509
Net Foreign exchange loss/gain	23,520
Finance costs	530
Accountancy, professional and legal fees	3,359
(Gain)/Loss on disposal of investment	(9,861)
Total	<u>516,057</u>

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
Net gains on investments	38,533
NET INCOME/(EXPENDITURE)	(102,338)

RECONCILIATION OF FUNDS

Total funds brought forward	1,884,510
TOTAL FUNDS CARRIED FORWARD	1,782,172

10. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2020	1,703,859
Additions	591,353
Disposals	(812,552)
Unrealized gain /(loss)	229,087
At 31st December 2020	1,711,747
NET BOOK VALUE	
At 31st December 2020	1,711,747
At 31st December 2019	1,703,859

The fixed asset investment are listed Ordinary Securities . The market value of the investment as at 31/12/20 was £1,711,747 (2019 : £1,703,859).

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	4,200	5,000

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	2,872	2,872
Accruals and deferred income	3,000	3,000
	<u>5,872</u>	<u>5,872</u>

13. MOVEMENT IN FUNDS

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	1,782,172	(11,891)	1,770,281
	<u>1,782,172</u>	<u>(11,891)</u>	<u>1,770,281</u>
TOTAL FUNDS	<u>1,782,172</u>	<u>(11,891)</u>	<u>1,770,281</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	340,835	(672,543)	319,817	(11,891)
	<u>340,835</u>	<u>(672,543)</u>	<u>319,817</u>	<u>(11,891)</u>
TOTAL FUNDS	<u>340,835</u>	<u>(672,543)</u>	<u>319,817</u>	<u>(11,891)</u>

Comparatives for movement in funds

	At 1/1/19	Net movement in funds	At 31/12/19
	£	£	£
Unrestricted funds			
General fund	1,884,510	(102,338)	1,782,172
	<u>1,884,510</u>	<u>(102,338)</u>	<u>1,782,172</u>
TOTAL FUNDS	<u>1,884,510</u>	<u>(102,338)</u>	<u>1,782,172</u>

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	375,186	(516,057)	38,533	(102,338)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>375,186</u>	<u>(516,057)</u>	<u>38,533</u>	<u>(102,338)</u>

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

	At 1/1/19 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	1,884,510	(114,229)	1,770,281
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,884,510</u>	<u>(114,229)</u>	<u>1,770,281</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 £
Unrestricted funds				
General fund	716,021	(1,188,600)	358,350	(114,229)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>716,021</u>	<u>(1,188,600)</u>	<u>358,350</u>	<u>(114,229)</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2020.

HASDEI AVOT CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

15. TRANSACTIONS WITH DIRECTORS AND TRUSTEES

Other creditors totalling £2,872 (2019 : £2,872) is a loan given by Gems Advisors Limited, a company in which Mr Abadi is a director, to Hasdei Avot Charitable Trust and was still owed at the end of the year.