

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2020
for
LEKET UK**

Haines Watts Chartered Accountants
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

LEKET UK

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for the year ended 31 December 2020**

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Report of the Trustees for the year ended 31 December 2020

The trustees present their report with the financial statements of the charity for the year ended 31 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's objectives are to raise money for Leket Israel, a charity registered in Israel which aims to relieve poverty and hunger by providing food and other basic supplies as well as nutritional guidance to organisations and persons in need, and to keep the costs of such fundraising to a minimum. Details of the work of Leket Israel can be found at www.leket.org. The policies adopted in furtherance of these objects are in accordance with the Trust deed.

Achievement and performance

Charitable activities

The trustees are satisfied with the performance of the charity, the results of which are given below.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to major risks.

Structure, governance and management

Governing document

The charity was established by a charitable trust deed on 17 November 2008.

Reference and administrative details

Registered Charity number

1126755

Principal address

CP House
Otterspool Way
Watford
Hertfordshire
WD25 8HP

Trustees

P Filer
J Gitler
G Bichunsky
C A Nathan

Auditors

Haines Watts Chartered Accountants
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

The UK trustees are chosen individuals identified by the Israeli charity, Leket Israel, who are supportive of their aims.

The charity has no other organisational structure in the UK.

Leket UK raise funds for Leket Israel where Mr J Gitler is also a trustee.

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**Report of the Trustees
for the year ended 31 December 2020**

Statement of trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on 15 October 2021 and signed on its behalf by:


.....
P Filer - Trustee

Report of the Independent Auditors to the Trustees of Leket UK

Opinion

We have audited the financial statements of Leket UK (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

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 UK, including the FRC'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity activity and wider economy. The Trustees view on the impact of COVID-19 is disclosed in the accounting policies note.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees 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.

Report of the Independent Auditors to the Trustees of Leket UK

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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 charity that were contrary to applicable laws and regulations, including fraud. We discussed with the Trustees the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to 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.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. 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.


Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
Leket UK

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Haines Watts Chartered Accountants
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Date: 18/10/21

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Statement of Financial Activities
for the year ended 31 December 2020

		2020 Unrestricted fund £	2019 Total funds £
Income and endowments from	Notes		
Donations and legacies	2	535,197	276,869
Investment income	3	-	1
Total		535,197	276,870
Expenditure on			
Raising funds	4	414	337
Charitable activities	5		
Donations		620,000	194,006
Share of governance costs		2,520	2,525
Total		622,934	196,868
NET INCOME/(EXPENDITURE)		(87,737)	80,002
Reconciliation of funds			
Total funds brought forward		137,673	57,671
Total funds carried forward		49,936	137,673

The notes form part of these financial statements

LEKET UK

Balance Sheet
31 December 2020

		2020 Unrestricted fund £	2019 Total funds £
Current assets	Notes		
Debtors	10	17,031	5,592
Cash at bank		35,305	134,361
		<u>52,336</u>	<u>139,953</u>
Creditors			
Amounts falling due within one year	11	(2,400)	(2,280)
		<u>49,936</u>	<u>137,673</u>
Net current assets			
		<u>49,936</u>	<u>137,673</u>
Total assets less current liabilities			
		<u>49,936</u>	<u>137,673</u>
NET ASSETS		<u>49,936</u>	<u>137,673</u>
Funds	Notes		
Unrestricted funds	12	49,936	137,673
Total funds		<u>49,936</u>	<u>137,673</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 October 2021 and were signed on its behalf by:


P Filer - Trustee

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Cash Flow Statement
for the year ended 31 December 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(99,056)	76,748
Net cash (used in)/provided by operating activities		(99,056)	76,748
Cash flows from investing activities			
Interest received		-	1
Net cash provided by investing activities		-	1
Change in cash and cash equivalents in the reporting period		(99,056)	76,749
Cash and cash equivalents at the beginning of the reporting period		134,361	57,612
Cash and cash equivalents at the end of the reporting period		35,305	134,361

The notes form part of these financial statements

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Notes to the Cash Flow Statement
for the year ended 31 December 2020

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities			
	2020	2019	
	£	£	
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(87,737)	80,002	
Adjustments for:			
Interest received	-	(1)	
(Increase)/decrease in debtors	(11,439)	2,560	
Increase/(decrease) in creditors	120	(5,813)	
Net cash (used in)/provided by operations	<u>(99,056)</u>	<u>76,748</u>	
2. Analysis of changes in net funds			
	At 1/1/20	Cash flow	At 31/12/20
	£	£	£
Net cash			
Cash at bank	134,361	(99,056)	35,305
	<u>134,361</u>	<u>(99,056)</u>	<u>35,305</u>
Total	<u>134,361</u>	<u>(99,056)</u>	<u>35,305</u>

**Notes to the Financial Statements
for the year ended 31 December 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Going concern

Following the emergence and spread of the coronavirus (COVID-19) as well as its financial effects on the business's worldwide the trustees are considering its effects on the activity of the charity and believe there are sufficient funds available for the charity to continue and the affects on fundraising and donations will not stop operations.

Key sources of estimation uncertainty and judgements

Preparation of the financial statements requires management to make significant judgements and estimates in determining the carrying amounts of certain assets and liabilities. Management makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The management's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. This disclosure excludes uncertainty over future events and judgement in respect of measuring financial instruments.

Income

All income is 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 are 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 will 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from 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.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the charity becomes a party to the contractual provisions of the instrument.

Other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the charity's cash management.

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Notes to the Financial Statements - continued
for the year ended 31 December 2020

1. Accounting policies - continued

Financial instruments

Financial liabilities and equity instruments issued by the charity are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities. Equity instruments issued by the charity are recorded at the proceeds received, net of direct issue costs.

2. Donations and legacies

	2020	2019
	£	£
Donations and gifts	535,197	276,869

3. Investment income

	2020	2019
	£	£
Interest receivable - trading	-	1

4. Raising funds

Raising donations and legacies

	2020	2019
	£	£
Other fundraising costs	216	216
Support costs	198	121
	414	337

5. Charitable activities costs

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Donations	-	620,000	-	620,000
Share of governance costs	2,718	-	(198)	2,520
	2,718	620,000	(198)	622,520

6. Grants payable

	2020	2019
	£	£
Donations	620,000	194,006

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Donations	620,000	194,006

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Notes to the Financial Statements - continued
for the year ended 31 December 2020

7. Support costs

	Totals
	£
Raising donations and legacies	198
Share of governance costs	(198)
	<u>-</u>
	<u>-</u>

8. Trustees' remuneration and benefits

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

Trustees' expenses

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

9. Comparatives for the statement of financial activities

	Unrestricted fund £
Income and endowments from	
Donations and legacies	276,869
Investment income	1
Total	<u>276,870</u>
Expenditure on	
Raising funds	337
Charitable activities	
Donations	194,006
Share of governance costs	2,525
Total	<u>196,868</u>
NET INCOME	<u>80,002</u>
Reconciliation of funds	
Total funds brought forward	57,671
Total funds carried forward	<u><u>137,673</u></u>

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Notes to the Financial Statements - continued
for the year ended 31 December 2020

10. Debtors: amounts falling due within one year

	2020	2019
	£	£
Other debtors	17,031	5,592

11. Creditors: amounts falling due within one year

	2020	2019
	£	£
Other creditors	2,400	2,280

12. Movement in funds

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	137,673	(87,737)	49,936
TOTAL FUNDS	137,673	(87,737)	49,936

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	535,197	(622,934)	(87,737)
TOTAL FUNDS	535,197	(622,934)	(87,737)

Comparatives for movement in funds

	At 1/1/19	Net movement in funds	At 31/12/19
	£	£	£
Unrestricted funds			
General fund	57,671	80,002	137,673
TOTAL FUNDS	57,671	80,002	137,673

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	276,870	(196,868)	80,002
TOTAL FUNDS	276,870	(196,868)	80,002

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Notes to the Financial Statements - continued
for the year ended 31 December 2020

12. Movement in funds - continued

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	57,671	(7,735)	49,936
TOTAL FUNDS	<u>57,671</u>	<u>(7,735)</u>	<u>49,936</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 £	Movement in funds £
Unrestricted funds			
General fund	812,067	(819,802)	(7,735)
TOTAL FUNDS	<u>812,067</u>	<u>(819,802)</u>	<u>(7,735)</u>

13. Related party disclosures

During the year the charity entered into the following transactions with related parties:

One of the charity's trustees, Mr J Gitler is also a trustee in Leket Israel, a charity incorporated in Israel.

During the year, Leket UK paid grants of £620,000 (2019: £194,006) to Leket Israel.