

Charity Registration No. 1159336

Company Registration No. 08978316 (England and Wales)

HASHOMER HATZAIR
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021



Sobell Rhodes LLP
The Kinetic Centre
Theobald Street
Elstree
Borehamwood
Hertfordshire
WD6 4PJ

HASHOMER HATZAIR

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Pauline Rosalyn Levis John Laurens Strawson Deborah Helen Sacks Lawrence Ross Joffe Micha Drori Yehuda James Erdman Alison Prager
Secretary	John Laurens Strawson
Charity number	1159336
Company number	08978316
Principal address	33 Alexander Road London United Kingdom N19 3PF
Registered office	33 Alexander Road London United Kingdom N19 3PF
Independent examiner	Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree Borehamwood Hertfordshire WD6 4PJ WD6 4PJ
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors	Stone King LLP Boundary House 91 Charter House London EC1M 6HR

HASHOMER HATZAIR

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HASHOMER HATZAIR

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 APRIL 2021

The trustees, who are directors for the purposes of company law, Trustees present their report and financial statements for the year ended 30 April 2021.

The trustees have remained the same during the year and are:

John Strawson, Chair of the Trustees and Company Secretary
Pauline Levis,
Deborah Sacks
Allison Prager
Lawrence Joffe
Yehuda Erdman
Micha Drori

Trustees are appointed by the Board of Trustees under article 5 the Articles of Association. Trustees are sought from those in community with an interest and expertise in the areas of the objectives of the charity set in paragraph 2.

Objectives and activities

Objects and aims

The objects of the Charity are:

1. the advancement of education, in particular in relation to Jewish Values, history and culture
2. the promotion of religious, cultural, social and racial harmony, in particular between Jewish and other peoples, with a particular focus on Jewish young people.

These objectives are implemented through grants to organizations which carry out one or other of these objectives and to individuals so they can pursue activities which foster these objectives.

Grant making policies

There has been continuing regular support for the educational, cultural and social activities of Meretz UK (<http://www.meretz.org.uk>) which has provided a series of seminars and public meetings on recently published books, cultural contribution and other forum which promote Jewish values and harmonious relations between Jews and non-Jews in Britain, Israel and Palestine.. Due to the pandemic events were moved online from March 2020. Grants were approximately £23,000. This was a considerable increase due to the loss of direct income by Meretz. This was from two sources (1) from events and (2) the loss of income from hire by a Synagogue which like other places of religious worship was forced to close. When these restrictions were lifted the Synagogue had found another venue.

A grant of 18,000 was paid to Achvat Amim [Solidarity amongst Nations] (<https://www.achvatamim.org>) to sponsor three British-based participants their 5-month program. Achvat Amim is based in Jerusalem and promotes educational and social projects aimed at improving relations between Palestinians and Israelis. Despite the pandemic the participants were able to obtain visas and program went ahead despite some restrictions.

A grant of £5,000 was paid to the Givat Haviva International School (<https://gh-is.org>). The school which operates in the educational Kibbutz Givat Haviva in Northern Israel, brings together students from around the world to study the International Baccalaureate and the engage create an educational community that embraces differences.

A grant of £3,700 was paid to the Balfour Project (<https://balfourproject.org>) which promotes a peaceful settlement of the Palestinian-Israeli conflict through creating fellows amongst undergraduate and graduate students at British universities to study and through projects create awareness of the issues that which promote such a settlement. The grant sponsored two fellows.

HASHOMER HATZAIR

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 30 APRIL 2021**

Achievements and performance

The ability of Hashomer Hatzair to continue to operate and fund activities in Israel and the UK has in the main been due the reserves that had been acquired. This has proved to have been a wise policy although it cannot be permanent feature of our financial environment.

Financial review

Like many charities, Hashomer Hatzair has had a challenging year due to the pandemic. On the one hand there have been increased demands for grants and on the other there has been less income. Its income fell due to the closure of schools which mean that KIND nursery school who operate in part of the building under a license were unable to do so. The trustees in consultation with the KIND decided to forgive 6 months rent (£5,550) so as to prevent the school from collapsing. When operations became possible again KIND was unable initially to pay rent but has now agreed a re-payment plan that began at the end of September 2021. We did not have trustees' expenses however as we were able to hold meetings online. The pandemic has revealed that financial security is highly fragile.

Policy on reserves

Our policy is to keep £100,000 in our funds.

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

John Laurens Strawson

Trustee

Dated: 16 November 2021

HASHOMER HATZAIR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 APRIL 2021

The Trustees, who are also the directors of Hashomer Hatzair for the purpose of company law, 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).

Company Law 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 charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

HASHOMER HATZAIR

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HASHOMER HATZAIR

I report to the Trustees on my examination of the financial statements of Hashomer Hatzair (the Charity) for the year ended 30 April 2021.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Sobell Rhodes LLP

Jeremy Leboff, FCCA
Sobell Rhodes LLP
The Kinetic Centre
Theobald Street
Elstree
Borehamwood
Hertfordshire
WD6 4PJ
United Kingdom

Dated: 16 November 2021

HASHOMER HATZAIR

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Donations and legacies	2	1,989	-
Rental income		43,217	79,406
Total income		45,206	79,406
<u>Expenditure on:</u>			
Expenditure		45,236	63,343
Total expenditure		45,236	63,343
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(30)	16,063
Net movement in funds		(30)	16,063
Fund balances at 1 May 2020		2,171,788	2,155,725
Fund balances at 30 April 2021		2,171,758	2,171,788

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HASHOMER HATZAIR

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	7		2,000,000		2,000,000
Current assets					
Debtors	8	22,029		17,262	
Cash at bank and in hand		155,100		159,747	
		<u>177,129</u>		<u>177,009</u>	
Creditors: amounts falling due within one year	9	<u>(5,371)</u>		<u>(5,221)</u>	
Net current assets			171,758		171,788
Total assets less current liabilities			<u>2,171,758</u>		<u>2,171,788</u>
Income funds					
Unrestricted funds			2,171,758		2,171,788
			<u>2,171,758</u>		<u>2,171,788</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 April 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 16 November 2021

John Laurens Strawson
Trustee

Company Registration No. 08978316

HASHOMER HATZAIR

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

1 Accounting policies

Charity information

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
33 Alexander Road
London
N19 3PF

The principal place of business is:
33 Alexander Road
London
N19 3PF

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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 £1.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

1.2 Going concern

The directors have a reasonable expectation the company will continue to have adequate resources to fund its working capital for the foreseeable future. The directors have carried out a detailed assessment of the viability of the company following the unprecedented outbreak of Covid-19 which has resulted in the disruption to various businesses.

As a result of their review, the directors have taken appropriate measures to enable them to have a reasonable expectation that the company will have sufficient working capital for a period of at least 12 months from the date these financial statements have been approved.

On the basis of the above, the directors are of the opinion that there is no material uncertainty relating to going concern and therefore it is appropriate to prepare these financial statements on a going concern basis.

1.3 Income and endowments

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 the income receivable can be measured reliably.

HASHOMER HATZAIR

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

1 Accounting policies

(Continued)

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

1.4 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

1.5 Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the trustees. The trustees use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

HASHOMER HATZAIR

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

1 Accounting policies

(Continued)

1.7 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

2 Donations and legacies

	Unrestricted funds	Total
	2021 £	2020 £
Donations and gifts	1,989	-

3 Analysis of governance and support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Bank charges	-	135	135	-	190	190
Telephone and internet	288	-	288	91	-	91
Sundry expense	95	-	95	5,929	-	5,929
Travel and subsistence	10	-	10	1,221	-	1,221
Accountancy fees	5,383	-	5,383	5,833	-	5,833
Legal and professional	1,894	-	1,894	8,346	-	8,346
	7,670	135	7,805	21,420	190	21,610

4 Trustees

During the year the charity made the following transactions with trustees:

During the year the trustees were reimbursed for travel and subsistence of £Nil (2020- £687).

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

HASHOMER HATZAIR

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

5 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

7 Investment property

	2021 £
Fair value	
At 1 May 2020 and 30 April 2021	2,000,000

8 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	22,029	17,262

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	5,371	5,221

10 Unrestricted Funds

	Movement in funds			Movement in funds			
	Balance at 1 May 2019 £	Incoming resources £	Resources expended £	Balance at 1 May 2020 £	Incoming resources £	Resources expended £	Balance at 30 April 2021 £
General	55,725	79,406	(63,343)	71,788	45,206	(45,236)	71,758
Designated	2,100,000	-	-	2,100,000	-	-	2,100,000
Total	2,155,725	79,406	63,343	2,171,788	45,206	45,236	2,171,758

HASHOMER HATZAIR

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

11 Related party transactions

There were no disclosable related party transactions during the year.

HASHOMER HATZAIR

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

Detailed Statement of Financial activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income and endowments from:		
Donations and legacies (analysed below)	1,989	-
Investment income (analysed below)	-	-
Rental income (analysed below)	43,217	79,406
	<hr/>	<hr/>
Total income	45,206	79,406
	<hr/>	<hr/>
Expenditure on:		
Charitable activities (analysed below)	45,236	63,343
	<hr/>	<hr/>
Total expenditure	45,236	63,343
	<hr/>	<hr/>
Net (outgoing)/incoming resources	(30)	16,063
	<hr/>	<hr/>
Net movement in funds	(30)	16,063
	<hr/>	<hr/>
Fund balances at 1 May 2020	2,171,788	55,725
	<hr/>	<hr/>
Fund balances at 30 April 2021	2,171,758	2,171,788
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HASHOMER HATZAIR

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

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Donations and Legacies		
Grants- other agencies	1,989	-
	<u>1,989</u>	<u>-</u>
	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Investment income		
Interest on cash deposits	-	-
	<u>-</u>	<u>-</u>
	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Other income		
Rental income	48,767	79,406
	<u>48,767</u>	<u>79,406</u>
	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Expenditures		
Grants payable- institutions	(32,338)	(37,079)
Website costs	-	-
Telephone and internet	(288)	(91)
Insurance	-	(1,636)
Repairs and maintenance	(5,093)	(8,623)
Sundry expenses	(95)	(324)
Bank charges	(135)	(190)
Travel and subsistence	(10)	(1,221)
Accountancy fees	(5,383)	(5,833)
Legal and professional fees	(1,894)	(8,346)
	<u>(45,236)</u>	<u>(63,343)</u>