

Charity Registration No. 1159388

Company Registration No. 09075504 (England and Wales)

ADOT FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

ADOT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs I Kirschel Mr L Kirschel
Charity number	1159388
Company number	09075504
Registered office	3rd Floor 114a Cromwell Road London SW7 4AG
Independent examiner	Ahsan Miraj FCA Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG

ADOT FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6 - 12

ADOT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

The trustees present their report and financial statements for the year ended 31 July 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charitable objects of the company, as approved by the Charity Commission, is the advancement of education for the public benefit by the provision of grants to other charities and/ or organisations which provide public education and by the provision of educational resources that develop an individual's personal, emotional, moral and spiritual capability.

Covid 19 - Overall risk to operations

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The entity's financial position and performance is likely to be affected by these events for future periods.

The charity has determined that these events are adjusting subsequent events. However, the trustees do not believe that there are any adjustments required to the financial position or the results for the year ended 31 July 2020. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the company for future periods.

Office closure

On 23 March 2020, in response to the UK government advice and significant decreases in demand resulting from social distancing efforts, quarantines and border closures related to the spread of COVID-19, the company announced that it would temporarily close its office.

Post year end trading

A review of the first five months of the year indicates no significant changes in operations, it is anticipated, the impact of the pandemic will be minimal.

The objectives and activities fully reflect the purposes that the company was set up to further. The Directors have referred to the guidance contained in the Charity Commission's advice on public benefit when reviewing the objectives and activities and when planning for future activities.

Achievements and performance

The company has during the period sponsored organisations that operate in the social media in order to advance individual's personal, emotional, moral and spiritual capabilities. This has been achieved both through the company and its wholly owned subsidiary undertaking, A Dot Limited, a company registered in England and Wales.

Financial review

The Directors are satisfied with the results of the period.

ADOT FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

It is the policy of the company 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 charity's 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 company's policy is to hold any surplus funds in interest bearing bank accounts.

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

Plans for future periods

The Adot Foundation has recently acquired rights to "the scientific path to spirituality" which it will convert into short form volumes to support its purpose of developing individual's personal, emotional, moral and spiritual capability. The foundation, has and will continue to work alongside and collaborate with other charities such as Tivka and Shema B'ni as it continues to support educational programmes to generate awareness of key issues impacting today's society.

Structure, governance and management

The company was incorporated by guarantee on 6 June 2014. It has no share capital and is limited by guarantee. The liability of each member in the event of winding up is limited to £1 per member. At 31 July 2020 the company had two members.

The governing document is the Memorandum and Articles of Association dated 6 June 2014 as amended by a special resolution registered at Companies House on 26 November 2014. The power of appointing Directors is vested in the Board of Directors.

There are no paid employees of the company and it operates from the premises of one of the Directors. The Charity has a close relationship with Consolidated Developments Limited, Consolidated Property Corporation Inc and Consolidated Hotels Limited, companies in which Mr L Kirschel is a director and has a beneficial interest. During the period these companies made donations to Adot Foundation totalling £100,000 (2019: £20,000).

Adot Foundation set up a trading subsidiary A Dot Limited. The purpose of A Dot Limited is to sell merchandise through its shop. The shop is still being fitted out and has recently opened. During the year, Adot Foundation has supported A Dot Limited to fund its set up costs. This amounted to £284,029 as at the balance sheet date.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs I Kirschel

Mr L Kirschel

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

Mr L Kirschel

Director

17 May 2021

ADOT FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ADOT FOUNDATION

I report to the trustees on my examination of the accounts of Adot Foundation (the charity) for the year ended 31 July 2020.

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 accounts in accordance with the requirements of the Charities Act 2011 ('The 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 130 of the Act.
- 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.

Ahsan Miraj FCA
Bright Grahame Murray
Chartered Accountants
Emperor's Gate
114a Cromwell Road
London
SW7 4AG

Dated: 17 May 2021

ADOT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	2	122,500	20,000
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	34,609	23,468
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		87,891	(3,468)
Fund balances at 1 August 2019		221,153	224,621
		<hr/>	<hr/>
Fund balances at 31 July 2020		309,044	221,153
		<hr/> <hr/>	<hr/> <hr/>

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

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.

ADOT FOUNDATION

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	8		14,397		16,317
Investments	9		1		1
			<u>14,398</u>		<u>16,318</u>
Current assets					
Debtors	10	306,529		199,149	
Cash at bank and in hand		5,779		11,204	
		<u>312,308</u>		<u>210,353</u>	
Creditors: amounts falling due within one year	11	(17,662)		(5,518)	
Net current assets			294,646		204,835
Total assets less current liabilities			<u>309,044</u>		<u>221,153</u>
Income funds					
Unrestricted funds			309,044		221,153
			<u>309,044</u>		<u>221,153</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 31 July 2020.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 accounts, so far as applicable to the company.

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

The accounts were approved by the board on 17 May 2021

Mr L Kirschel
Director

Company Registration No. 09075504

ADOT FOUNDATION

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

1 Accounting policies

Charity information

Adot Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 114a Cromwell Road, London, SW7 4AG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). 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. The principal accounting policies adopted are set out below.

1.2 Going concern

As set out in the trustees' report during the early part of 2020 the international community was impacted by the COVID-19 pandemic, which caused significant disruption to UK businesses. The trustees have assessed the risk that the charity is not a going concern, with reference to its financial position and performance. The charity forecasts that it is able to continue to meet all of its obligations.

The trustees are not aware of any significant impact from the COVID-19 pandemic on the charity's operations. However, the trustees continue to assess its impact on an ongoing basis.

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.

1.4 Incoming resources

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.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all costs related to that activity.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Book rights

Over 10 years

1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	122,500	20,000
Donations and gifts		
Donations received	100,000	20,000
Git Aid	22,500	-
	122,500	20,000

3 Charitable activities

	Grants to institutions	Grants to institutions
	2020 £	2019 £
Depreciation and impairment	1,920	1,920
Grant funding of activities (see note 4)	18,558	13,767
Share of support costs (see note 5)	14,131	7,781
	34,609	23,468

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

4 Grants payable

	2020 £	2019 £
Grants to institutions:		
GOSH	8,929	-
Tivka UK	1,000	-
Mothers2Mothers	5,000	-
British Friends of the Jaffa Institute	-	3,000
MSAADA	-	3,000
New Horizon Youth Centre	-	2,000
Cancer Research UK	-	2,000
Other	3,629	3,767
	<u>18,558</u>	<u>13,767</u>

5 Support costs

	Support costs £	Governance costs £	2020 £	2019 £	Basis of allocation
Bank charges	62	-	62	60	Support costs
Insurance	-	-	-	165	Support costs
Subscriptions	336	-	336	1,416	Support costs
Accountancy	2,154	-	2,154	1,528	Support costs
Sundry expenses	375	-	375	1,760	Support costs
Advertising	10,112	-	10,112	2,330	Support costs
Printing, postage and computer expenses	-	-	-	522	Support costs
Telephone expenses	1,092	-	1,092	-	Support costs
	<u>14,131</u>	<u>-</u>	<u>14,131</u>	<u>7,781</u>	
Analysed between Charitable activities	<u>14,131</u>	<u>-</u>	<u>14,131</u>	<u>7,781</u>	

Support costs includes fees to the Independent Examiner of £2,154 (2019: £1,528).

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration (including reimbursed expenses) during the year.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

7 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-
	<u> </u>	<u> </u>

8 Intangible fixed assets

	Book rights £
Cost	
At 1 August 2019 and 31 July 2020	19,197
	<u> </u>
Amortisation and impairment	
At 1 August 2019	2,880
Amortisation charged for the year	1,920
	<u> </u>
At 31 July 2020	4,800
	<u> </u>
Carrying amount	
At 31 July 2020	14,397
	<u> </u>
At 31 July 2019	16,317
	<u> </u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

9 Fixed asset investments

		Other investments
Cost or valuation		
At 1 August 2019 & 31 July 2020		1
		<u> </u>
Carrying amount		
At 31 July 2020		1
		<u> </u>
At 31 July 2019		1
		<u> </u>

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	12	1	1
		<u> </u>	<u> </u>

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	284,029	199,149
Other debtors	22,500	-
	<u> </u>	<u> </u>
	306,529	199,149
	<u> </u>	<u> </u>

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	15,808	4,018
Accruals and deferred income	1,854	1,500
	<u> </u>	<u> </u>
	17,662	5,518
	<u> </u>	<u> </u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

12 Subsidiaries

Details of the charity's subsidiaries at 31 July 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
A Dot Limited	3rd Floor, 114A Cromwell Road, London, SW7 4AG	Trading subsidiary of registered charity	Ordinary shares	100.00	

13 Related party transactions

At the balance sheet date included in debtors is an amount of £284,029 (2019: £199,149) due from A Dot Limited, the company's subsidiary undertaking.

At the balance sheet date included in creditors is an amount of £12,873 (2019: £Nil) due to The Kirschel Foundation, a charity registered in England and Wales in which Mr L Kirschel is also a trustee. In addition, an amount of £2,235 (2019: £Nil) was due to Consolidated Holdings Limited, a company in which Mr L Kirschel is a director and has a beneficial interest.

During the year the charity received donations of £90,000 (2019: £Nil) from Mr L Kirschel and £10,000 (2019: £20,000) from Consolidated Property Corporation Limited, a company in which Mr L Kirschel is a director and has a beneficial interest.

14 Company limited by guarantee

The company is limited by guarantee and therefore has no share capital.