

THE DELLAL FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020

THE DELLAL FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Dellal E Azouz J Azouz G Dellal
Charity number	265506
Principal address	22 Chancery Lane London WC2A 1LS
Independent examiner	S Coleman ACA 73 Cornhill London EC3V 3QQ
Bankers	Metro Bank 1 Southampton Row London WC1B 5HA

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TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2020

The Trustees present their annual report and accounts for the year ended 5 April 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 Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)"

Objectives and activities

The trust deed provides that the Trustees may pay or apply the capital and income of the trust for the benefit of such charitable purposes or institutions as they may at their discretion determine. The Trustees confirm that in their opinion, they have complied with their duty to have due regards to the guidance on public benefit published issued by the Charity Commission, in the exercise of their powers and responsibilities as detailed in the trust deed and under charity law.

It is the policy of the Trustees to support individual charities and institutions mainly on a single donation basis. The merit of each application is carefully considered and further research carried out, if required, prior to a grant being made. The Trustees have in the past and will continue to apply a significant proportion of the grants made towards charities whose aim is the welfare and benefit of the Jewish people.

Achievements and performance

During the year under review the charity made grants in the total sum of £681,000 (2019-£160,000). The main grants were paid to the Tel Aviv Foundation in the total sum of £664,000. A detailed list of all grants made is shown in note 5 to the accounts.

Financial review

The net expenditure for the year was £128 (2019: Income £1,976).

The income received in the form of donations from companies connected with the Trustees was £682,320 (2019 £163,600).

The expenditure in the year totalled £682,590 (2019-£161,624) primarily comprised of charitable grants referred to above.

The reserves at the year end totalled £6,746. The Trustees are aware that additional funding will be required in order to enable charitable expenditure at its current level. It is anticipated that such funding will be forthcoming as evidenced by the donations made in prior years.

Structure, governance and management

The charitable trust is constituted under the terms of a deed dated 9th March 1973.

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

A Dellal

E Azouz

J Azouz

G Dellal

The power of appointment of new Trustees vests in the Board of Trustees.

The Trustees meet regularly on an informal basis to review the charity's affairs and make decisions thereon.

The Trust deed authorises the Trustees to make and hold such investments from the general funds of the charity as they see fit in their discretion determine.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2020

The report was approved by the Board of Trustees.



A Dellal

Dated: 14 January 2021

THE DELLAL FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2020

The Trustees are responsible for preparing the Report 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 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 of the charity 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 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 sufficient 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 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.

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DELLAL FOUNDATION

I report on the financial statements of the charity for the year ended 5 April 2020, which are set out on pages 5 to 12.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the financial statements. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of .

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

S Coleman ACA
Chartered Accountants
73 Cornhill
London
EC3V 3QQ

Dated: 14 January 2021

THE DELLAL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2020

	Notes	2020 £	2019 £
<u>Income from:</u>			
Donations received	3	682,320	163,600
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	682,590	161,624
		<hr/>	<hr/>
Net (expenditure)/income for the year before investment gains		(270)	1,976
Other recognised gains and losses			
Other gains or losses	8	142	-
		<hr/>	<hr/>
Net (expenditure)/income for the year		(128)	1,976
Fund balances at 6 April 2019		6,874	4,898
		<hr/>	<hr/>
Fund balances at 5 April 2020		6,746	6,874
		<hr/> <hr/>	<hr/> <hr/>

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BALANCE SHEET

AS AT 5 APRIL 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	9	-		8,150	
Cash at bank and in hand		8,306		-	
		<u>8,306</u>		<u>8,150</u>	
Creditors: amounts falling due within one year	10	(1,560)		(1,276)	
		<u></u>		<u></u>	
Net current assets			6,746		6,874
			<u></u>		<u></u>
Income funds					
Unrestricted funds			6,746		6,874
			<u>6,746</u>		<u>6,874</u>
			<u></u>		<u></u>

The financial statements were approved by the Trustees on 14 January 2021



A Dellal
Trustee

THE DELLAL FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	12		8,383		(8,574)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net increase/(decrease) in cash and cash equivalents			8,383		(8,574)
Cash and cash equivalents at beginning of year			(76)		8,498
			<hr/>		<hr/>
Cash and cash equivalents at end of year			8,307		(76)
			<hr/>		<hr/>
Relating to:					
Cash at bank and in hand			8,307		-
Bank overdrafts included in creditors payable within one year			-		(76)
			<hr/>		<hr/>

THE DELLAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2020

1 Accounting policies

1.1 Accounting convention

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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.

Investment income is recognised on an accruals basis.

1.5 Resources expended

Expenditure is recognised when a liability is incurred. Irrecoverable VAT is charged to the expense category to which it relates.

Charitable expenditure is represented by grants made to institutions which are included in the accounts when paid or legal or constructive obligation exists.

Also included in charitable expenditure are governance costs represented by expenditure incurred primarily in meeting with constitutional and statutory requirements such as audit and legal fees.

1.6 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2020

1 Accounting policies

(Continued)

1.7 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.

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.

1.8 Taxation

As a registered charity the Society is exempt from taxation on its activities which fall within the scope of part 10 ITA 2007 and section 256 of the Taxation of Chargeable Gains Act 1992.

2 Critical accounting estimates and judgements

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

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2020

3 Donations and legacies

	Unrestricted funds	Total
	2020 £	2019 £
Donations and gifts	682,320	163,600

4 Charitable expenditure

	2020 £	2019 £
Grant funding of activities (see note 5)	681,000	160,000
Share of governance costs	1,590	1,624
	682,590	161,624

5 Grants payable

	2020 £	2019 £
Grants to institutions:		
Brazil Foundation	-	50,000
Community Security Trust	-	10,000
Elisa Sednaoui Foundation	-	100,000
Tel Aviv Foundation	664,000	-
Elephant Family	16,000	-
Get Kids Going	1,000	-
	681,000	160,000
	681,000	160,000

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were refunded to the trustees in the year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2020

7 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

8 Other gains or losses

	Unrestricted funds	Total
	2020 £	2019 £
Foreign exchange gains	(142)	-

9 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	-	8,150

10 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank overdrafts		-	76
Accruals and deferred income		1,560	1,200
		1,560	1,276

11 Related party transactions

During the year the Foundation made donations totalling £nil (2019: £100,000) to Elisa Sednaoui Foundation, in which A Dellal is also a Trustee.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2020

12	Cash generated from operations	2020 £	2019 £
	(Deficit)/surplus for the year	(270)	1,976
	Adjustments for:		
	Foreign exchange differences	142	-
	Movements in working capital:		
	Decrease/(increase) in debtors	8,151	(8,150)
	Increase/(decrease) in creditors	360	(2,400)
	Cash generated from/(absorbed by) operations	<u>8,383</u>	<u>(8,574)</u>