

Charity Registration No. 1088948

Company Registration No. 04213211 (England and Wales)

SAFEWARD LIMITED
TRUSTEES' AND DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

SAFEWARD LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Zolty Mr J Sakhnowsky
Charity number	1088948
Company number	04213211
Principal address	c/o Andre Zolty - Attorney Avenue de Champel 8C 1206 Geneva SWITZERLAND
Registered office	6th Floor Cardinal House 20 St Marys Parsonage Manchester M2 3LG
Auditors	Lopian Gross Barnett & Co 6th Floor Cardinal House 20 St Mary's Parsonage Manchester M3 2LG

SAFEWARD LIMITED

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SAFEWARD LIMITED

TRUSTEES' AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Trustees, who are also directors of the charity for the purpose of the Companies Act 2006, present their report and accounts for the year ended 31 March 2016.

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 Memorandum and Articles of Association dated 9th May 2001, the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRSSE) 2015.

Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by its Memorandum and Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr A Zolty

Mr J Sakhnowsky

The board has the power to appoint additional trustees as it considers fit to do so.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Mr A. Zolty manages the day to day operations of the charity, including dealing with the financial affairs of the charity.

The income and property of the charity, whensoever derived, shall be applied solely towards the promotion of the objects of the charity as specified in the Memorandum and Articles of Association.

During the accounting period, Safeward Limited was connected with two incorporated charitable companies whose liabilities are limited by guarantee being Starcharm Limited (Registered Charity Number 1096701, and Company Registration Number 04389102) and Pressgate Limited (Registered Charity Number 1097388, and Company Registration Number 04389100) by virtue of the fact that A Zolty was a trustee of these charitable companies. These charitable companies were both incorporated in England and Wales and registered with the Charity Commission. Both Starcharm Limited and Pressgate Limited were dissolved on 6 September 2016.

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 the major risks.

Objectives and activities

The charity has general charitable objects and its principal activity is grantmaking, which focuses on the advancement of education and the relief of poverty. It is expected that all the company's net charitable income will be applied for these purposes. The policy adopted in furtherance of these objects is to distribute the funds as and when the trustees see fit to these worthy causes and there has been no change in this during the year.

The charity made charitable donations to those causes it considers are worthy and in accordance with its charitable objectives, whilst at the same time sustaining its incoming resources through charitable donations received, rental income received from investment property held and also from interest receivable from bank deposits held during the year.

The charity made donations for education and the relief of poverty of £353,531 (2015 - £205,888) during the period. The trustees' policy is to endeavour to build their assets to a level whereby the trust income from the charity's assets can be maximised and accrued in a regular, sustainable and increasing level in order to be able to apply this income to meet the objects of the charity. The charity aims to donate a greater amount of income for its charitable purposes in the future.

SAFEWARD LIMITED

TRUSTEES' AND DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

None of the Trustees have any beneficial interest in the charity. All the directors of the company are also members of the company and there are no other members other than those mentioned above. The members have guaranteed to contribute £1 in the event of a winding up.

Achievements and performance

The charity is satisfied with its overall achievements and performance during the year. The investment property in the charity was disposed of in July 2015.

A list of grants made is set out in note 8 of the accounts.

Financial review

The reserves held at 31st March 2016 show a surplus of £2,074,872 (2015 - £194,513).

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees consider the return on investments to be satisfactory.

Plans for the future

The charity disposed of its remaining property during the year. The trustees are seeking a suitable replacement investment property to purchase in order to generate future income for the charity from which it can make grants.

Public benefit

The charity delivers public benefit through its grant making activity. The Trustees have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

Auditors

A resolution proposing that Lopian Gross Barnett & Co. be reappointed as auditors of the company will be put to the members.

On behalf of the board of Trustees

Mr A Zolty

Trustee

Dated: 31 March 2017

SAFEWARD LIMITED

STATEMENT OF TRUSTEES' AND DIRECTORS' RESPONSIBILITIES

The Trustees, who are also the directors of Safeward Limited for the purpose of company law, are responsible for preparing the Trustees' And Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts 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 accounts, 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; and
- prepare the accounts 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 accounts 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.

SAFEWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SAFEWARD LIMITED

We have audited the accounts of Safeward Limited for the year ended 31 March 2016 set out on pages 6 to 16. 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).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' and Directors' responsibilities, the Trustees, who are also the directors of Safeward Limited for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The Trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' And Directors' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

SAFEWARD LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF SAFEWARD LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' And Directors' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts 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.

**Mr Jason Selig (Senior Statutory Auditor)
for and on behalf of Lopian Gross Barnett & Co**

Chartered Accountants Statutory Auditor

6th Floor
Cardinal House
20 St Mary's Parsonage
Manchester
M3 2LG

Dated: 31 March 2017

Lopian Gross Barnett & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SAFEWARD LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	428,322	-
Activities for generating funds	3	267,250	1,075,133
Investment income	4	279	-
		<hr/>	<hr/>
		695,851	1,075,133
Other incoming resources	5	2,857,080	-
		<hr/>	<hr/>
Total incoming resources		3,552,931	1,075,133
		<hr/>	<hr/>
<u>Resources expended</u>			
Costs of generating funds			
Investment property expenses	3	3,900	1,200
		<hr/>	<hr/>
Net incoming resources available		3,549,031	1,073,933
		<hr/>	<hr/>
Charitable activities			
Grants for education and the relief of poverty		353,531	574,556
		<hr/>	<hr/>
Other resources expended	9	1,094,531	406,047
		<hr/>	<hr/>
Total resources expended		1,451,962	981,803
		<hr/>	<hr/>
Net incoming resources		2,100,969	93,330
		<hr/>	<hr/>
Other recognised gains and losses			
Revaluation of investment property		-	3,350,000
(Losses)/gains on investment property		(220,610)	-
		<hr/>	<hr/>
Net movement in funds		1,880,359	3,443,330
		<hr/>	<hr/>
Fund balances at 1 April 2015		194,513	(3,248,817)
		<hr/>	<hr/>
Fund balances at 31 March 2016		2,074,872	194,513
		<hr/> <hr/>	<hr/> <hr/>

SAFEWARD LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
Gross income	3,552,931	1,075,133
Loss on disposal of investment assets held by income funds	(220,610)	-
Total income	<u>3,332,321</u>	<u>1,075,133</u>
Total expenditure from income funds	1,451,962	981,803
Net income for the year	<u>1,880,359</u>	<u>93,330</u>

The summary income and expenditure account is derived from the statement of financial activities on page 10 which, together with the notes on pages 10 to 16, provides full information on the movements during the year on all funds of the charity.

STATEMENT OF RECOGNISED GAINS AND LOSSES

Net income for the year	1,880,359	93,330
Revaluation of tangible fixed assets held by income funds	-	3,350,000
	<u>1,880,359</u>	<u>3,443,330</u>

SAFEWARD LIMITED

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	12		-	12,500,000	
Investments	13		2	2	
			<u>2</u>	<u>12,500,002</u>	
Current assets					
Debtors	14	-		268,783	
Cash at bank and in hand		3,054,521		132,055	
		<u>3,054,521</u>		<u>400,838</u>	
Creditors: amounts falling due within one year	15	(979,651)		(7,455,646)	
Net current assets/(liabilities)			<u>2,074,870</u>		<u>(7,054,808)</u>
Total assets less current liabilities			<u>2,074,872</u>		<u>5,445,194</u>
Creditors: amounts falling due after more than one year	16		-	(5,250,681)	
Net assets			<u>2,074,872</u>		<u>194,513</u>
Income funds					
Unrestricted funds					
Unrestricted income funds		2,074,872		(3,155,487)	
Revaluation reserve		-		3,350,000	
		<u>2,074,872</u>		<u>194,513</u>	
			<u>2,074,872</u>		<u>194,513</u>

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

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 March 2016, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The director acknowledges his 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 accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 31 March 2017

Mr A Zolty
Trustee

Company Registration No. 04213211

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective 1 January 2015) and the Companies Act 2006.

1.2 Incoming resources

Voluntary income and donations are included in incoming resources when they are receivable, except insofar as they are incapable of financial measurement.

Investment income is recognised on a receivable basis.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Costs of generating funds are those costs incurred in trading activities that raise funds. Expenditure which is directly related to the investment property has been shown separately under this heading.

Charitable activities include expenditure of grants made for education and the relief of poverty.

Other resources expended includes loan interest payable on the investment property owned by the charity utilised for raising rental income and break costs incurred on the bank loan.

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the Trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Investments

Fixed asset investments are stated at market value.

1.6 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.7 Funds structure

All funds held are unrestricted income funds.

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

2 Donations and legacies

	2016 £	2015 £
Donations and gifts	<u>428,322</u>	<u>-</u>

3 Activities for generating funds

	2016 £	2015 £
Activities for generating funds	267,250	1,075,133
Investment property expenses	(3,900)	(1,200)
Net Activities for generating funds	<u>263,350</u>	<u>1,073,933</u>

4 Investment income

	2016 £	2015 £
Interest receivable	<u>279</u>	<u>-</u>

5 Other incoming resources

	2016 £	2015 £
Other income	<u>2,857,080</u>	<u>-</u>

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

6 Total resources expended

	Other costs £	Grant funding £	Total 2016 £	Total 2015 £
Costs of generating funds				
Investment property expenses	3,900	-	3,900	1,200
Charitable activities				
<u>Grants for education and the relief of poverty</u>				
Activities undertaken directly	-	-	-	368,668
Grant funding of activities	-	353,531	353,531	205,888
Total	-	353,531	353,531	574,556
Other resources expended	1,094,531	-	1,094,531	406,047
	<u>1,098,431</u>	<u>353,531</u>	<u>1,451,962</u>	<u>981,803</u>

7 Activities undertaken directly

	2016 £	2015 £
Other costs relating to Grants for education and the relief of poverty comprise:		
Provision for non payment of funds from charitable company with similar charitable objectives	-	368,668
	<u>-</u>	<u>368,668</u>

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

8 Grants payable

	Total 2016 £	Total 2015 £
Grants to institutions:		
Asociacion Civil Perspectivas Bet Midrash	126,562	121,248
Asser Bishvil	40,000	-
Chabad Youth Villages	-	3,368
Friends of Mir	-	20,000
Hachmei Hadarom	-	33,680
Jerusalem Institute	8,500	6,150
Meomek Halev	-	4,042
Shaarey Yosher Jerusalem	139,079	-
Yeshya Adler	32,490	17,400
Pressgate Limited	6,900	-
	<u>353,531</u>	<u>205,888</u>

Grants payable are made for education and the relief of poverty, 12 donations (2015 - 11 donations) were made in the year ended 31 March 2016 totalling £353,531 (2015 - £205,888) for educational purposes and the relief of poverty. Further grants were paid in the following year to other charitable concerns, which also dealt with educational needs and the relief of poverty.

9 Other resources expended

	2016 £	2015 £
Break costs on loan	955,387	-
Loan interest	130,239	398,394
Legal and professional fees	5,244	1,224
Audit fees	4,800	4,800
Bank charges	569	657
Sundry expenses	89	749
Difference in currency	(1,797)	223
	<u>1,094,531</u>	<u>406,047</u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, nor were any expenses reimbursed.

11 Employees

There were no employees during the year.

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

12 Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2015	12,500,000
Disposals	(12,500,000)
At 31 March 2016	-
Depreciation	
At 1 April 2015 and at 31 March 2016	-
Net book value	
At 31 March 2016	-
At 31 March 2015	12,500,000

13 Fixed asset investments

	£
Market value at 1 April 2015 and at 31 March 2016	2
Historical cost:	
At 31 March 2016	2
At 31 March 2015	2

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Freshname No. 318 Limited	England and Wales	Ordinary	100
Freshname No. 359 Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves £	Profit/(loss) for the year £
	Principle Activities		
Freshname No. 318 Limited	Dormant company	1	-
Freshname No. 359 Limited	Dormant company	1	-

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

14 Debtors	2016	2015
	£	£
Trade debtors	-	268,783
	<u>-</u>	<u>268,783</u>
	<u>-</u>	<u>268,783</u>
15 Creditors: amounts falling due within one year	2016	2015
	£	£
Bank loans	-	496,941
Amounts owed to connected undertakings	-	2,857,080
Other creditors	472,411	3,263,793
Accruals	507,240	837,832
	<u>-</u>	<u>837,832</u>
	<u>979,651</u>	<u>7,455,646</u>
	<u>979,651</u>	<u>7,455,646</u>
 Details of amounts owed by connected companies included within accruals are shown in the related parties note.		
16 Creditors: amounts falling due after more than one year	2016	2015
	£	£
Bank loans	-	5,250,681
	<u>-</u>	<u>5,250,681</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Loan - Bank of Scotland	-	5,747,622
Included in current liabilities	-	(496,941)
	<u>-</u>	<u>5,250,681</u>
	<u>-</u>	<u>5,250,681</u>
Loan maturity analysis		
Debt due in one year or less	-	496,941
In more than one year but not more than two years	-	532,221
In more than two years but not more than five years	-	1,866,913
In more than five years	-	2,851,547
	<u>-</u>	<u>5,747,622</u>
	<u>-</u>	<u>5,747,622</u>

SAFEWARD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

17 Related parties

In the relevant period, Mr A Zolty was a trustee and director of both Pressgate Limited and Starcharm Limited. Both companies are charities constituted as a company limited by guarantee based in the United Kingdom. Both Pressgate Limited and Starcharm Limited have similar charitable objectives to Safeward Limited.

During the year the charity received donations in the amount of £393,479 (2015 - £Nil) from Starcharm Limited. The loan of £2,857,080 from Starcharm Limited to Safeward Limited was written off during the year on the basis that both charities share the same objectives and in fact because Starcharm Limited always wanted to make a donation of all its profits to Safeward Limited.

During the year the charity received donations in the amount of £34,844 (2015 - £Nil) and paid donations of £6,900 (2015 - £Nil) to Pressgate Limited.

At 31 March 2016 the charity owed £472,411 (2015 - £3,263,793) to Mr A Zolty. Included in accruals is interest accrued for the loan due to Mr A Zolty of £497,640 (2015 - £497,640).

The above loan is repayable on demand and interest has been accrued on this loan at a rate of 2% less than the bank base rate in accordance with the company's memorandum and articles of association.