

**ISRAELI SCOUTS WESTERN EUROPE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

# ISRAELI SCOUTS WESTERN EUROPE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Harry Daniel Scott Saunders Manuela Lea Rathaus-Alper Carlo Cali Cohen
<b>Charity number</b>	1156815
<b>Principal address</b>	Central House 1 Ballards Lane London 020 8371 5285 N3 1LQ
<b>Independent examiner</b>	Paul Kutner FCA Landau Morley LLP York House Empire Way Wembley Middlesex HA9 0FQ

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# ISRAELI SCOUTS WESTERN EUROPE

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# ISRAELI SCOUTS WESTERN EUROPE

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2017

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The Trustees present their report and financial statements for the year ended 31 December 2017.

#### Objectives and activities

The charity's objectives include:

1. to promote the development of young people, in particular but not exclusively Hebrew speaking young people, in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens, and as members of their local, national and international communities.
2. to help young people, especially but not exclusively through leisure time activities, so as to develop their capabilities that they may grow to full maturity as individuals and members of society.
3. to promote equality and diversity for the public benefit by (for example):
  - (a) the elimination of discrimination on the grounds of race, gender, disability, sexual orientation or religion;
  - (b) advancing education and raising awareness in equality and diversity;
  - (c) promoting activities to foster understanding between people from diverse backgrounds;
  - (d) conducting or commissioning research on equality and diversity issues and publishing the results to the public;
  - (e) cultivating a sentiment in favour of equality and diversity.
4. to promote racial harmony for the public benefit by: (for example)
  - (a) promoting knowledge and mutual understanding between different racial groups;
  - (b) advancing education and raising awareness about different racial groups to promote good relations between persons of different racial groups;
  - (c) working towards the elimination of discrimination on the grounds of race.

The trustees confirm that they have referred to the public benefit guidance by the Charity Commission when reviewing the charity's aims and objectives and in planning future activities.

For the benefit of the public, activities have expanded and are available to the community through many different events we arrange throughout 2017. For example, a large scale community event for the whole family to celebrate Purim. The event included activities for the whole family, food and a performance.

#### Achievements and performance

Substantial growth in our activities in the UK, with a successful branch in Manchester & Wimbledon. We have also opened new groups in London to reach and engage more children, and established the Israeli Scouts as a leading organisation in planning events for the Community (such as - Hanuka event, Remembrance Day ceremony, Rabin memorial service). In order to improve professionally, there has been a rise in the quality of the training programme for our staff, who now receive special training from Israel.

#### Financial review

For details of the charity's financial position see page 5 of the financial statements.

The charity does not aim to keep large sums of money in reserve. Some reserves may be maintained for specific periods, to be used as financial support for Alia program participant who may require substantial amounts. The charity spends what is necessary and turns to Israel if there are any difficulties.

At the year end the charity held free reserves totalling £59,258 (2016: £52,862).

#### Structure, governance and management

The Charity is a Charitable Incorporated Organisation governed by a constitution dated 24 April 2014.

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

# **ISRAELI SCOUTS WESTERN EUROPE**

## **TRUSTEES' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2017***

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The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution.

The Trustees administer the charity on a day to day basis making whatever decisions they consider necessary to enable it to meet its objectives.

Apart from the first charity trustees, every trustee must be appointed (for a term of three years) by a resolution passed at a properly convened meeting of the charity trustees.

The trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

Newly appointment trustees undergo induction training to brief them on their legal obligations under charity law.

Trustees are also are provided with a copy of the charity's constitution and a copy of the charity's latest financial statement, in order that they can obtain a sufficient level of knowledge to enable them to perform their roles effectively.

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

**Harry Daniel**

Trustee

Dated: 3 September 2018

**Scott Saunders**

Trustee

Dated:3 September 2018

# ISRAELI SCOUTS WESTERN EUROPE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF ISRAELI SCOUTS WESTERN EUROPE

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I report to the Trustees on my examination of the financial statements of Israeli Scouts Western Europe charity for the year ended 31 December 2017.

#### **Responsibilities and basis of report**

The Trustees of the charity are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Paul Kutner FCA

Landau Morley LLP  
York House  
Empire Way  
Wembley  
Middlesex  
HA9 0FQ

Dated: 3 September 2018

# ISRAELI SCOUTS WESTERN EUROPE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017

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	Notes	Unrestricted funds £	Total 2017 £	Total 2016 £
<b><u>Income from:</u></b>				
Donations and legacies	2	225,884	225,884	273,756
Charitable activities	3	93,508	93,508	127,070
		<hr/>	<hr/>	<hr/>
<b>Total income</b>		319,392	319,392	400,826
		<hr/>	<hr/>	<hr/>
<b><u>Expenditure on:</u></b>				
Charitable activities	4	313,796	313,796	365,977
		<hr/>	<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>		5,596	5,596	34,849
		<hr/>	<hr/>	<hr/>
Fund balances at 1 January 2017		56,612	56,612	21,763
		<hr/>	<hr/>	<hr/>
<b>Fund balances at 31 December 2017</b>		62,208	62,208	56,612
		<hr/> <hr/>	<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.

# ISRAELI SCOUTS WESTERN EUROPE

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	8		2,950		3,750
<b>Current assets</b>					
Debtors	9	176,648		203,520	
Cash at bank and in hand		41,171		14,178	
		<u>217,819</u>		<u>217,698</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(158,561)</u>		<u>(164,836)</u>	
Net current assets			59,258		52,862
<b>Total assets less current liabilities</b>			<u>62,208</u>		<u>56,612</u>
<b>Income funds</b>					
Unrestricted funds			62,208		56,612
			<u>62,208</u>		<u>56,612</u>

The financial statements were approved by the Trustees on 3 September 2018

Harry Daniel  
Trustee

Scott Saunders  
Trustee



# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Charity information

Israeli Scouts Western Europe is a Charitable Incorporated Organisation governed by a constitution dated 24 April 2014.

#### 1.1 Accounting convention

The financial statements 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 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, 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 unless the funds have been designated for other purposes.

#### 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.

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is inclusive of irrecoverable VAT.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation 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:

Computers	25% straight line
Motor vehicles	25% straight line

# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

##### 1.8 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.

##### 1.9 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 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 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.

##### **Derecognition of financial liabilities**

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

##### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies (Continued)

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	2017 £	2016 £
Donations and gifts	225,884	273,756
<b>Donations and gifts</b>		
Donations	2,513	27,881
UJIA Grant	33,500	34,000
Jewish Agency Israel Mapat Hashlihut Grant	42,636	53,901
Services from Tzabar Olami	146,735	157,974
Other Income	500	-
	225,884	273,756

### 3 Charitable activities

	2017 £	2016 £
Programme revenue	93,508	127,070

# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Charitable activities

	2017 £	2016 £
Staff costs	58,108	35,642
Programme expenses - General	55,506	97,298
Programme expenses - Israel area	27,071	57,447
Advertising	2,460	1,230
Uniforms	1,418	2,162
Office expenses	4,127	4,406
Rent and rates	25,150	21,145
Programme Co-ordinator costs	83,315	93,286
Bank charges, interest and exchange rate differences	(222)	2,616
Grants to Israel Scouts Amsterdam	12,900	11,679
Grants to Israel Scouts Berlin	-	492
Registration costs (Rugpack)	911	964
Education costs (Komunah)	16,167	14,167
Insurance	1,397	1,321
Travel costs	10,330	11,564
Other charitable expenditure	2,420	-
	<u>301,058</u>	<u>355,419</u>
Share of support costs (see note 5)	12,738	10,558
	<u>313,796</u>	<u>365,977</u>
<b>Analysis by fund</b>		
Unrestricted funds	313,796	
	<u>313,796</u>	
<b>For the year ended 31 December 2016</b>		
Unrestricted funds		365,977
		<u>365,977</u>

# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 5 Support costs

	Support costs £	2017 £	2016 £
Accountancy	9,718	9,718	9,308
Depreciation	1,400	1,400	1,250
Legal and professional	1,620	1,620	-
	<u>12,738</u>	<u>12,738</u>	<u>10,558</u>
Analysed between Charitable activities	<u>12,738</u>	<u>12,738</u>	<u>10,558</u>

Support costs includes governance costs of £5,650 (2016: £3,870).

Governance costs includes payments to the independent examiner of £1,000 (2016: £1,000) for independent examination services and £3,030 (2016: £2,870) for accountancy services.

### 6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration, benefits or reimbursement of expenses from the charity during the year (2016 - £NIL).

### 7 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
	<u>3</u>	<u>5</u>
<b>Employment costs</b>	<b>2017 £</b>	<b>2016 £</b>
Wages and salaries	56,884	34,998
Social security costs	1,012	510
Other pension costs	212	134
	<u>58,108</u>	<u>35,642</u>

No employee received remuneration amounting to more than £60,000 in either year.

# ISRAELI SCOUTS WESTERN EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Tangible fixed assets

	Computers £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2017	-	5,000	5,000
Additions	600	-	600
	<u>600</u>	<u>5,000</u>	<u>5,600</u>
At 31 December 2017	600	5,000	5,600
	<u>600</u>	<u>5,000</u>	<u>5,600</u>
<b>Depreciation and impairment</b>			
At 1 January 2017	-	1,250	1,250
Depreciation charged in the year	150	1,250	1,400
	<u>150</u>	<u>2,500</u>	<u>2,650</u>
At 31 December 2017	150	2,500	2,650
	<u>150</u>	<u>2,500</u>	<u>2,650</u>
<b>Carrying amount</b>			
At 31 December 2017	450	2,500	2,950
	<u>450</u>	<u>2,500</u>	<u>2,950</u>
At 31 December 2016	-	3,750	3,750
	<u>-</u>	<u>3,750</u>	<u>3,750</u>

### 9 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Other debtors	173,596	201,451
Prepayments and accrued income	3,052	2,069
	<u>176,648</u>	<u>203,520</u>

### 10 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	134,443	150,810
Accruals and deferred income	24,118	14,026
	<u>158,561</u>	<u>164,836</u>

### 11 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fund balances at 31 December 2017 are represented by:		
Tangible assets	2,950	2,950
Current assets/(liabilities)	59,258	59,258
	<u>62,208</u>	<u>62,208</u>

# **ISRAELI SCOUTS WESTERN EUROPE**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2017***

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### **12 Related party transactions**

There were no disclosable related party transactions during the year (2016 - none).