

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 2018

ADOT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	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 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 13

ADOT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2018

The directors present their report and financial statements for the year ended 31 July 2018.

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.

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.

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 directors 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 directors 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.

ADOT FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2018

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 2018 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 Company 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 £150,000 (2017: £60,000).

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

Mrs I Kirschel

Mr L Kirschel

Statement of trustees' responsibilities

The directors, who also act as trustees for the charitable activities of Adot Foundation, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors 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 directors 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors 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.

ADOT FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2018

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

Mr L Kirschel
Director

Dated: 30 April 2019

ADOT FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF ADOT FOUNDATION

I report to the directors on my examination of the financial statements of Adot Foundation (the charity) for the year ended 31 July 2018.

Responsibilities and basis of report

As the directors 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.

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

Dated: 30 April 2019

ADOT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2018

		Unrestricted funds 2018 £	Total 2017 £
	Notes		
<u>Income from:</u>			
Donations and legacies	2	150,000	60,000
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	46,737	7,083
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		103,263	52,917
Fund balances at 1 August 2017		121,358	68,441
		<hr/>	<hr/>
Fund balances at 31 July 2018		224,621	121,358
		<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 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	8		18,237		-
Investments	9		1		1
			<u>18,238</u>		<u>1</u>
Current assets					
Debtors	10	103,165		102,999	
Cash at bank and in hand		107,638		20,498	
		<u>210,803</u>		<u>123,497</u>	
Creditors: amounts falling due within one year	11	(4,420)		(2,140)	
Net current assets			206,383		121,357
Total assets less current liabilities			<u>224,621</u>		<u>121,358</u>
Income funds					
Unrestricted funds			224,621		121,358
			<u>224,621</u>		<u>121,358</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 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors 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 30 April 2019

Mr L Kirschel
Director

Company Registration No. 09075504

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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, Kensington, 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

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors 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 directors 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.

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 2018

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.

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).

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.

1.9 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.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

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.

2 Donations and legacies

	Unrestricted funds	Total
	2018 £	2017 £
Donations and gifts	150,000	60,000
	<u>150,000</u>	<u>60,000</u>
Donations and gifts		
Donations received	127,000	60,000
Git Aid	23,000	-
	<u>150,000</u>	<u>60,000</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

3 Charitable activities

	2018 £	2017 £
Depreciation and impairment	960	-
Grant funding of activities (see note 4)	38,720	300
Share of support costs (see note 5)	6,686	6,783
Share of governance costs (see note 5)	371	-
	<u>46,737</u>	<u>7,083</u>

4 Grants payable

	2018 £	2017 £
Grants to institutions:		
GOSH	15,000	-
Tivka UK	10,000	-
Mothers2Mothers	5,000	-
Noa Girls	2,000	-
Agoonoree Scout Camp	2,000	-
Shema Ber	1,360	-
Jami	1,000	-
StandWithUs UK	1,000	-
Other	1,360	300
	<u>38,720</u>	<u>300</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

5 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Bank charges	60	-	60	87	Support costs
Insurance	330	-	330	403	Support costs
Subscriptions	216	-	216	215	Support costs
Accountancy	2,680	-	2,680	3,196	Support costs
Sundry expenses	-	-	-	2,882	Support costs
Advertising	3,400	-	3,400	-	
Legal and professional	-	371	371	-	Governance
	<u>6,686</u>	<u>371</u>	<u>7,057</u>	<u>6,783</u>	
Analysed between					
Charitable activities	<u>6,686</u>	<u>371</u>	<u>7,057</u>	<u>6,783</u>	

Support costs includes fees to the Independent Examiner of £2,680 (2017-£3,196).

6 Directors

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

7 Employees

There were no employees during the year.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

8 Intangible fixed assets

	Book rights £
Cost	
At 1 August 2017	-
Additions	19,197
	<u>19,197</u>
At 31 July 2018	19,197
	<u>19,197</u>
Amortisation and impairment	
At 1 August 2017	-
Amortisation charged for the year	960
	<u>960</u>
At 31 July 2018	960
	<u>960</u>
Carrying amount	
At 31 July 2018	18,237
	<u>18,237</u>
At 31 July 2017	-
	<u>-</u>

9 Fixed asset investments

	Other investments
Cost or valuation	
At 1 August 2017 & 31 July 2018	1
	<u>1</u>
Carrying amount	
At 31 July 2018	1
	<u>1</u>
At 31 July 2017	1
	<u>1</u>

	Notes	2018 £	2017 £
Other investments comprise:			
Investments in subsidiaries	13	1	1
		<u>1</u>	<u>1</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	102,999	102,999
Other debtors	1	-
Prepayments and accrued income	165	-
	<u>103,165</u>	<u>102,999</u>

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	2,720	1,440
Accruals and deferred income	1,700	700
	<u>4,420</u>	<u>2,140</u>

12 Related party transactions

At the balance sheet date included in debtors is an amount of £102,999 (2017: £102,999) due from A Dot Limited, the company's subsidiary undertaking.

13 Subsidiaries

Details of the charity's subsidiaries at 31 July 2018 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	

14 Company limited by guarantee

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