

313523

Anglo-Israel Association

Report and Financial Statements

Year Ended

31 December 2018

CHARITY COMMISSION
FIRST CONTACT

23 SEP 2019

ACCOUNTS
RECEIVED

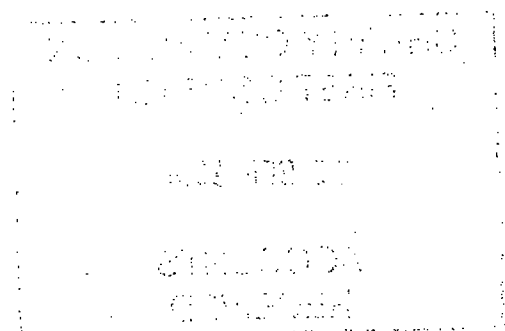
Anglo-Israel Association

Annual report and financial statements for the year ended 31 December 2018

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Anglo-Israel Association

Annual report and financial statements for the year ended 31 December 2018

Officers

The Lord Bew (Chairman of the Executive Committee)

Lady Sainsbury (Chairman of Council)

Mr M. Green (Vice-President)

Mrs L. Hochhauser, CBE (Vice-President)

Mr J. Marshall (Vice-President)

Mr G.R. Pinto (Vice-President) – died 10 September 2018

(*) Mr R. Bolchover (Co-Deputy Chairman and from 3 July 2018, Deputy Chairman of the Executive Committee)

(*) Professor D. Hochhauser (Co-Deputy Chairman of the Executive Committee) – retired as Co-Deputy Chairman on 3 July 2018

(*) Mr H. Lewis FCA (Honorary Treasurer)

Executive Committee

Mrs J. Atkin

Lady Baker – resigned 7 July 2018

The Lord Bew (Chairman)

(*) Mr R. Bolchover (Co-Deputy Chairman)

Miss B. Dingle

Mr Steven Jaffe – appointed 5 November 2018

(*) Mr D. Kessler

(*) Mr H. Lewis FCA (Honorary Treasurer)

(*) Professor D. Hochhauser (Co-Deputy Chairman)

Ms O. Polizzi

(*) Mr A. Reeve

Mrs Fiona Saunderson – appointed 5 February 2019

Mr. B. Streather

Mrs E. Tarling

Mr T. Vince

(*) also a director of Anglo Israel Association Corporate Trustee

Trustee

Anglo Israel Association Corporate Trustee (Company number 09898380)

Executive Director

Mrs Ruth Saunders

Registered Office

PO Box 47819, London, NW11 7WD

Bankers

Bank Leumi (UK) plc, 20 Stratford Place, London, W1C 1BG

Investment Advisers

J M Finn & Co, 4 Coleman Street, London EC2R 5TA

Charity Registration Number

313523

Anglo-Israel Association

Report of the Trustee for the year ended 31 December 2018

The Trustee presents its report and the financial statements for the year ended 31 December 2018.

Aims, objectives and management

The Charity's aims and objectives are to promote education in particular and information in general about Israel. The Association is an independent voluntary and non-political body which, since 1949, has enjoyed the active support of people of different faiths from across the political spectrum. Its day to day activities are run by the Executive Director who is responsible to the Trustee which is advised by the Executive Committee.

Since its foundation in 1949, the Association continues to play an active and energetic role in promoting a better understanding of Israel throughout the UK. Thanks to some loyal and generous donors and the energetic support of our Executive Committee, we make a disproportionate impact around the country through our educational, networking and informational activities.

For nearly seven decades, the Association has sought to portray the rich and dynamic development of the State of Israel and the dramatic growth and diversification both of its democratic traditions and of its social, religious, economic and cultural life as a balance, if not an antidote, to the incessant focus on certain twists and turns of the politics of the Middle East and the slow progress of the peace process.

As an independent, non-political, educational charity we draw support and membership from a wide cross section of British society whose different political and religious perspectives come together in a keen desire to promote a wider and better understanding of Israel in the UK, to encourage physical and intellectual exchanges between both countries at every level and generally to support activities which foster goodwill between the people of our two countries.

Despite the Association achieving a deficit for the year of £100,528 (2017 surplus £45,891) this was after investment losses to the restricted reserves of £53,062 (2017 surplus £52,310) which in accordance with the restrictions contained in note 9 on page 15 is unavailable to the Charity.

In order for the Association's work to progress, it is vital that additional donations are received and, in addition that supporters consider including the Association in their wills.

Executive Committee

The Members of the Executive Committee were also the Association's trustees, are listed on page 1.

Risk management

The Trustee is responsible for undertaking risk assessments of the Association's operations. The principal risks are assessed and steps are taken to mitigate them.

Review of activities – What we do:

January 15-23 January - Eighth Senior Christian Clergy Visit to Israel

The Rt Rev Alistair Magowan, Bishop of Ludlow, Hereford Diocese and also a member of the General Synod led the briefing tour of Israel. The Briefing Tours take senior Christian clergy to Israel and the West Bank to get a better and informed understanding of the current situation. They travel the length and breadth of the region including the Golan Heights, the Gaza Kerem Shalom crossing, Sderot, Ramallah, Rowabi, as well as Jerusalem and Tel Aviv.

They hear a cross section of voices and narratives from the community in Shiloh to the PLO in Ramallah and everything in between. We organise these visits jointly with the Clergy Travelling Fund.

Anglo-Israel Association

Report of the Trustee for the year ended 31 December 2018

The group included senior clergy from all over the country including many members of General Synod

Some views expressed indicate how useful these tours are:-

'It was without doubt, a wonderful week. Stretching, exhausting, transforming, thought changing, challenging, moving humbling On the Sunday after our return I preached on World Holocaust Day and the president of the local synagogue sang the lament. It was all too real'. The Very Revd Jerry Lepine, Bradford Cathedral

'As we were introduced to each new layer of complexity, having arrived with our preconceived ideas and assumptions, it became ever-more obvious that superficial attempts at solutions to the problems and tensions of that part of the world fail to capture important dimensions of what might be described as truth. Each attempt on our part to imagine a 'solution' to the problems seemed to be shattered immediately by the next encounter.' 'I was delighted to visit Shiloh, the pre-Jerusalem capital of Israel where the ark of the covenant rested for almost 400 years. We visited and passed by countless sites that feature in the Jewish scriptures, not least Beth-El where Jacob had his famous dream. And standing by Jews praying at the Western Wall as the sabbath began, was inevitably a moving experience' 'It is clear that, at a political level, the prize of peace for Jerusalem will depend upon the wider peace of Israel and the Palestinian territories. And that in turn will only follow on from peace across the Middle East and acceptance that the Jews have a right to their own state' The Very Rev'd John Dobson, Ripon Cathedral

'The added value of this particular visit was the privileged access it gave us to so many contexts, individuals and communities that together revealed something of the complexities of the 'situation'

'The talent, innovative skill and determination to make the country work is evident visibly in the fertile productivity of the farms in a dry land, the cutting-edge medicine and IT and the enthusiasm of the tour guides. I was particularly struck by the strong sense of shared identity which transcends the different nationalities that make up the Israeli people, which comes from centuries of history, ritual and of course terrible suffering. Family is central – we had the privilege of being hosted for a shabbat meal – and there is belief in the future despite the chaotic arguments of Israeli politics. While many modern Israelis do not believe in the G-d of the Bible, they all understand the significance and power of the story that has shaped them.' Rev'd Andrew Symes, Anglican Mainstream – an information resource for orthodox Anglicans.

Clergy Alumni meeting with HE Mark Regev – 9th April – Church House, Westminster.

The AIA invited those clergy who had been on recent tours to Israel to meet the Israeli Ambassador HE Mark Regev. This gave the clergy an excellent opportunity to ask questions, make comments and generally get more information on what they had seen whilst they were in the region and to get up to date information.

Anglo-Israel Association's 9th Ambassadors' Roundtable on Artificial Intelligence

The Roundtable was held at the Royal Society on 27th February 2018.

Key themes included Neural Network Models, Machine vision, AI uses and digital skills gap in education, manufacturing, banking health and shifting from supervised learning and Ethics in an AI driven world.
<http://www.angloisraelassociation.com/wp-content/uploads/2018/05/9th-Ambassadors-2018.pdf>

The Jewish Chronicle covered the event under the title 'The Latest Israeli developments in artificial intelligence and data collection technology are bringing innovation to the personal and professional lives of ordinary people'

Israel's Ambassador, HE Mark Regev, who opened the event hailed 'the strength and dynamism in the UK-Israel partnership' Deputy UK Ambassador to Israel, Tony Kay said 'Ben Gurion (airport) has a revolving door for UK companies, Israeli innovation is making our businesses more effective'

Anglo-Israel Association

Report of the Trustee for the year ended 31 December 2018

Other Events

4th June - Lior Schillat, Director of the Jerusalem Institute for Policy Research spoke in the House of Lords on 'From Truman to Trump: Jerusalem between 1948 and 2018' The event was a joint function with the Jerusalem Foundation and hosted by Lord Bew and Lord Leigh.

5th June – Lior Schillat spoke at a joint event with the Israel Diaspora Trust

6th June - Lior Schillat also spoke at a joint event with the Henry Jackson Society.

9th October – Lord Bew hosted a showing of 'Whose Land?' a documentary by Hugh Kitson in the House of Lords followed by a reception. Col (retd.) Richard Kemp also spoke.

20th November 2018 Annual Balfour Dinner at the Savoy

Our guest of honour and speaker was Dr. Daniel Gordis, Senior Vice President and Koret Distinguished Fellow at the Shalem College. Dr. Gordis is an author of several books and a regular columnist for the Jerusalem Post and Bloomberg View. His most recent book, Israel: A concise History of a Nation Reborn, received the 2016 National Jewish Book Award. Ambassador Denis Ross, reflecting on the book, wrote, 'When I am asked, is there one book to read about Israel? I now have an answer.' The dinner was well attended and included many parliamentarians, diplomats from around the world as well as journalists and clergy.

Speaking Programme

Our target audience includes UK government officials, members of both Houses of Parliament, leading personalities from the electronic and printed media, the heads of faith communities and members of non-governmental organisations. We engage our audience in seminars and briefings on an individual or small group basis appropriate for the provision of professional, balanced and dispassionate analysis. We are also active in university campuses.

Educational Trusts:

The Kenneth Lindsay Scholarship Trust and the Wyndham Deedes Scholarship Trust

We have always given priority to encouraging interchanges among young people facilitating scholarship by students in both countries and we continue to administer our two educational trusts which enable Israeli students to study in the UK and British students to study in Israel.

This year we were able to award 18 Kenneth Lindsay Scholarships to Israeli students studying a variety of subjects from Clinical Neurosciences, astronomy, criminology and criminal justice to piano performance and strategic marketing.

Anglo-Israel magazine - Our magazine is distributed to members of both Houses of Parliament, clergy alumni as well as all our supporters.

Anglo-Israel Association

Report of the Trustee for the year ended 31 December 2018

Social Media – Visit our website at www.angloisraelassociation.com if you haven't already done so. Besides seeing what we have been up to, you will also be able to see the latest news from Israel via Y Net. For those involved in social media please contact us – we would love you to join our ever growing supporters.

Join us on Twitter and Facebook to keep up to date with AIA. Make sure you tweet us @AngloIsraelAssn and say "Hello!" or like us on Facebook at <https://www.facebook.com/AngloIsraelAssoc/>

AIA Activities 2019

Senior Christian Clergy visit to Israel in January

Ambassadors' Roundtable on Technology and Developing Economies in June

AIA Colloquium on Ageing – Growing old in a society that is itself ageing in November

Other events are now being planned. We welcome your ideas and comments. Please send to: info@angloisraelassociation.com.

Trustee's responsibilities

Law applicable to Charities in England and Wales requires the Trustee to prepare financial statements for the financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year (unless the Charity is entitled to prepare accounts on the alternative receipts and payment basis). In preparing financial statements giving a true and fair view, the Trustee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 Trustee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable it to ascertain the financial position of the Charity and which enable it to ensure that the financial statements comply with applicable law. It is 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.

Anglo-Israel Association
Report of the Trustee
for the year ended 31 December 2018

Reserves policy

The current level of free reserves, being the unrestricted funds not committed or invested in tangible fixed assets, is £67,702 (2017 £65,454). Having regard to future development, the Trustee has set a target level of free reserves of approximately 6 months' expenditure. This will enable the Charity to continue its current activities and allow it to respond quickly in the event of an emergency. It intends to continue its fundraising efforts with a view to maintaining the target level so that the Charity will be well placed to respond to its future needs. The reserves policy is reviewed annually.

Public Benefit

The principal activities of the Charity during the year continued to promote education in particular and information in general about Israel. The Trustee is aware of the Charity Commission guidance on public benefit reporting as set out in section 17 of the Charities Act 2011. The Trustee believes that the Charity achieves a public benefit by providing these services as detailed elsewhere in this report.

Signed on behalf of the Trustee on 16 September 2019



Richard Bolchover



Howard Lewis

Anglo Israel Association Corporate Trustee

Anglo-Israel Association

Independent Auditor's Report to the Trustee of Anglo-Israel Association for the year ended 31 December 2018

Opinion

We have audited the financial statements of Anglo-Israel Association (the 'Charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

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

- sufficient accounting records have not been kept;

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Independent Auditor's Report to the Trustee of Anglo-Israel Association for the year ended 31 December 2018

the financial statements are not in agreement with the accounting records and returns; or
•we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the Charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Goldwins Limited

Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

17 September 2019

Anglo-Israel Association
Statement of Financial Activities
for the Year Ended 31 December 2018

| | Note | Unrestricted Funds £ | Restricted Funds £ | MCA Endowment Fund £ | Total 2018 £ | Total 2017 £ |
|--|------|----------------------------|--------------------------|-------------------------------|--------------------|--------------------|
| Income: | | | | | | |
| Donations | | 44,555 | 0 | 0 | 44,555 | 32,776 |
| Legacy | | 0 | 0 | 0 | 0 | 0 |
| Subscriptions | | 1,938 | 0 | 0 | 1,938 | 1,733 |
| Other income | | 2,000 | 0 | 0 | 2,000 | 2,000 |
| Activities for generating funds: | | | | | | |
| Annual dinner | | 117,960 | 0 | 0 | 117,960 | 157,742 |
| Investment income | 2 | 0 | 0 | 29,104 | 29,104 | 27,300 |
| AIA Colloquium | | 0 | 250 | 0 | 250 | 69,440 |
| Weidenfeld Fund | | 0 | 0 | 0 | 0 | 43,515 |
| Ambassador Round Table | | 18,000 | 0 | 0 | 18,000 | 0 |
| IHPS | | 0 | 0 | 0 | 0 | 1,000 |
| Campus Project | | 0 | 0 | 0 | 0 | 20,300 |
| Israel clergy visits | | 55,343 | 0 | 0 | 55,343 | 11,477 |
| Events | | 6,453 | 0 | 0 | 6,453 | 8,554 |
| Total Income | | 246,249 | 250 | 29,104 | 275,603 | 375,837 |
| Expenditure | | | | | | |
| Raising funds | | | | | | |
| Investment Management fees | | 0 | 0 | 4,248 | 4,248 | 4,217 |
| Annual Dinner | | | | | | |
| Charitable activities | | 55,277 | 0 | 0 | 55,277 | 62,285 |
| AIA Colloquium | | 0 | 12,607 | 0 | 12,607 | 45,578 |
| Weidenfeld Fund | | 0 | 4,500 | 0 | 4,500 | 58,014 |
| BICOM Conference | | 0 | 0 | 0 | 0 | 3,539 |
| IHPS | | 0 | 0 | 0 | 0 | 0 |
| Campus Project | | 0 | 13,138 | 0 | 13,138 | 18,517 |
| Meetings, Briefings & Conferences | | 8,503 | 0 | 0 | 8,503 | 14,930 |
| Ambassador Round Table | | 24,089 | 0 | 0 | 24,089 | 5,150 |
| AIA Magazine | | 18,175 | 0 | 0 | 18,175 | 18,677 |
| Israel clergy visits | | 55,796 | 0 | 0 | 55,796 | 26,733 |
| Promoting education about Israel | | 105,279 | 14,454 | 0 | 119,733 | 118,789 |
| Accountancy | | 1,900 | 0 | 0 | 1,900 | 2,200 |
| Bank charges | | 1,433 | 0 | 0 | 1,433 | 1,391 |
| Fees payable to auditor | | 3,090 | 0 | 0 | 3,090 | 2,400 |
| Professional fees | | 600 | 0 | 0 | 600 | 1,836 |
| Total Expenditure | | 274,122 | 44,699 | 4,248 | 323,069 | 382,256 |
| Net profit/ (losses) on investments | | 0 | 0 | (53,062) | (53,062) | 52,310 |
| Net income/(expenditure) | | (27,873) | (44,449) | (28,206) | (100,528) | 45,891 |
| Transfers between funds | | 30,121 | 0 | (30,121) | 0 | 0 |
| Net movement in funds | | 2,248 | (44,449) | (58,327) | (100,528) | 45,891 |
| Total funds brought forward | | 65,454 | 57,664 | 722,494 | 845,612 | 799,721 |
| Total funds carried forward | | 67,702 | 13,215 | 664,167 | 745,084 | 845,612 |

All income and expenditure derive from continuing activities.

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

The notes on pages 11 to 16 form part of these financial statement.

Anglo-Israel Association

Balance Sheet at 31 December 2018

| | Note | 2018 £ | 2018 £ | 2017 £ | 2017 £ |
|---|------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 5 | | 2,226 | | 407 |
| MCA investments | 6 | | 664,167 | | 722,494 |
| | | | <u>666,393</u> | | <u>722,901</u> |
| Current assets | | | | | |
| Debtors | 7 | 53,359 | | 58,881 | |
| Cash at bank and in hand | | 102,528 | | 104,674 | |
| | | <u>155,887</u> | | <u>163,555</u> | |
| Creditors: amounts falling due within one year | 8 | (77,196) | | (40,844) | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 78,691 | | 122,711 |
| | | | <u>745,084</u> | | <u>845,612</u> |
| Total assets less current liabilities | | | | | |
| | | | <u>745,084</u> | | <u>845,612</u> |
| Funds | | | | | |
| MCA Endowment Fund | 9 | | 664,167 | | 722,494 |
| Restricted funds | 10 | | 13,215 | | 57,664 |
| Unrestricted funds | | | 67,702 | | 65,454 |
| | | | <u>745,084</u> | | <u>845,612</u> |

The financial statements were approved and authorised for issue by the Trustees on 16 September 2019

Signed on behalf of the of the trustee, Anglo Israel Association Corporate Trustee



Richard Bolchover
Directors of Anglo Israel Association Corporate Trustee



Howard Lewis
Directors of Anglo Israel Association Corporate Trustee

The notes on pages 11 to 16 form part of these financial statements.

Anglo-Israel Association

Notes forming Part of the Financial Statements for the Year Ended 31 December 2018

1 Accounting policies

(a) General information and basis of preparation

Anglo-Israel Association is an unincorporated charity governed by its Constitution and operating within the United Kingdom. The address of the registered office is given in the charity information on page 1 of the financial statements. The nature of the charity's operation and principal activities are to promote education in particular and information in general about Israel.

The charity constitutes a public benefit entity as defined by FR 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, as revised in February 2016, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a "true and fair" view and 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 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).

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all years presented unless otherwise stated.

(b) Donations and other charitable income

These are included in the Statement of Financial Activities when receivable together with any tax recoverable in respect thereof. Residuary legacies are recognised as receivable once probate has been granted, provided sufficient information has been received to enable valuation of the Charity's entitlement. Amounts receivable are included at the amounts received following the Balance Sheet date to reflect the uncertainty inherent in the administration of estates.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------|----------|
| Computer equipment | - 33.33% |
| Office equipment | - 20% |

(d) Investments

All fixed asset investments are recorded at market value.

(e) Operating leases

Annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

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Notes Forming Part of the Financial Statements for the Year Ended 31 December 2018(Continued)

(a) Definitions

MCA Endowment Fund

The terms and conditions relating to this fund are set out in Note 9.

(b) Restricted funds

Donations received towards the costs of specific charitable programmes.

(c) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(d) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(e) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Investment Income

| | 2018 £ | 2017 £ |
|--------------------|-----------|-----------|
| MCA Endowment Fund | 29,104 | 27,300 |

Anglo-Israel Association

Notes Forming Part of the Financial Statements for the Year Ended 31 December 2018 (Continued)

3 Trustees and Executive Committee

No directors of the Trustee or members of the Executive Committee, who comprise the charity's key management personnel (or any persons connected with them) received any remuneration during the year. The aggregate of donations made by the Committee members during the year amounted to £73,455 (2017 £63,458)

4 Employees

| | 2018 £ | 2017 £ |
|-------------------------|-------------------|-------------------|
| Staff costs consist of: | | |
| Wages and salaries | 75,194 | 81,507 |
| Social security costs | 5,017 | 4,423 |
| Pension | 778 | 900 |
| | <u> </u> | <u> </u> |

The average monthly number of employees during the year was 2 (2017 – 3).

5 Tangible fixed assets

| | Computer equipment £ | Office equipment £ | Total £ |
|-----------------------|----------------------------|--------------------------|-------------------|
| <i>Cost</i> | | | |
| At 1 January 2018 | 7,597 | 1,150 | 8,747 |
| Additions | 990 | 1,575 | 2,565 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2018 | 8,587 | 2,725 | 11,312 |
| | <u> </u> | <u> </u> | <u> </u> |
| <i>Depreciation</i> | | | |
| At 1 January 2018 | 7,454 | 886 | 8,340 |
| Charge for the year | 378 | 368 | 746 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2018 | 7,832 | 1,254 | 9,086 |
| | <u> </u> | <u> </u> | <u> </u> |
| <i>Net book value</i> | | | |
| At 31 December 2018 | <u>755</u> | <u>1,471</u> | <u>2,226</u> |
| At 31 December 2017 | 143 | 264 | 407 |
| | <u> </u> | <u> </u> | <u> </u> |

The fixed assets are mainly used for direct charitable expenditure.

Anglo-Israel Association

Notes Forming Part of the Financial Statements for the Year Ended 31 December 2018 (Continued)

6 Investments

| | MCA Endowment Fund | |
|---|--------------------|-----------|
| | 2018 £ | 2017 £ |
| Market value as at 1 January 2018 | 722,494 | 675,204 |
| Realised (losses)/gains | (5,760) | (1,709) |
| Unrealised gains/ (losses) on revaluation | (47,302) | 54,019 |
| Portfolio management charge | (5,326) | (5,123) |
| Transfer from Investment income | 61 | 103 |
| | <hr/> | <hr/> |
| Market value as at 31 December 2018 | 664,167 | 722,494 |
| | <hr/> | <hr/> |

7 Debtors

| | 2018 £ | 2017 £ |
|--------------------------------------|-----------|-----------|
| Annual Dinner | 15,350 | 21,918 |
| Prepayments and accrued income | 8,847 | 18,556 |
| Amounts due from connected charities | 29,162 | 18,407 |
| | <hr/> | <hr/> |
| | 53,359 | 58,881 |
| | <hr/> | <hr/> |

8 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 77,109 | 40,844 |
| | <hr/> | <hr/> |
| | 77,196 | 40,844 |
| | <hr/> | <hr/> |

Anglo-Israel Association

Notes Forming Part of the Financial Statements for the Year Ended 31 December 2018 (Continued)

9 The MCA Endowment Fund

The MCA Endowment Fund is a separate fund for the purpose of promoting education in particular and information in general about Israel together with the promotion of such of the other charitable aims, objects and activities of the Association as shall be conducive to the implementation of the said purposes. The donor has specified that the capital, which is to be invested on professional advice in order to obtain the maximum long-term total return (net of any tax) which is regarded from time to time as a prudent target for the Fund, may be spent provided that:

- (a) the total of income and realised and unrealised gains spent in any full financial year of the Association does not exceed 8% of the original grant of £523,000 at 31 December 2000 as increased by the percentage increase in the Retail Prices Index from that date to the beginning of such financial year but so that any unspent part of such 8% may be carried forward and spent in subsequent financial years in addition to such 8% limit for each such year and
- (b) the market value of the capital of the Fund (after deducting any losses and liabilities, whether actual, accrued or contingent) not more than 30 days prior to the date on which the Association's trustees resolve to spend the gains is not less than the original grant (increased as specified in (a) above) after excluding the gains resolved to be spent.

For condition (b) above to have been met to permit capital to be spent, it would be necessary for the fund's market value at 31 December 2018 to have been £844,636 (2017 £ 836,852) and hence at the Balance Sheet date there was a shortfall of £180,469 (2017 £114,358).

10 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| Fund | Balance at 1 January 2018 £ | Movements | | Balance at 31 December 2018 £ |
|-----------------|---|-------------|--------------------------------|---|
| | | Income £ | Transfers/ Expenditure £ | |
| Colloquium | 25,572 | 250 | (12,607) | 13,215 |
| Weidenfeld Fund | 16,458 | 0 | (16,458) | 0 |
| IHPS | 3,847 | 0 | (3,847) | 0 |
| Campus Project | 11,787 | 0 | (11,787) | 0 |
| | <u>57,664</u> | <u>250</u> | <u>(44,699)</u> | <u>13,215</u> |

The Colloquium Fund comprises donations made to hold a conference relating to Anglo-Israeli matters.

The Weidenfeld Fund (project working with the Jewish and Christian communities to raise funds for Christians in Syria) IHPS (a programme of speakers discussing Israel related issues) and Campus Project (a programme of Israeli speakers, lecturing to students) were closed during the year.

Anglo-Israel Association

Notes Forming Part of the Financial Statements for the Year Ended 31 December 2018 (Continued)

11 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | MCA Endowment Fund £ | Total Funds £ |
|---|----------------------------|--------------------------|-------------------------------|---------------------|
| Fund balances at 31 December 2018 are represented by | | | | |
| Tangible fixed assets | 2,226 | 0 | 0 | 2,226 |
| Investments | 0 | 0 | 664,167 | 664,167 |
| Current assets | 142,672 | 13,215 | 0 | 155,887 |
| Creditors: amounts falling due within one year | (77,196) | 0 | 0 | (77,196) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total net assets | 67,702 | 13,215 | 664,167 | 745,084 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

12 Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | Land and buildings | |
|--------------------------|--------------------|-------|
| | 2018 | 2017 |
| | £ | £ |
| Expiry date: | | |
| Rolling three month term | 1,925 | 1,925 |
| | <hr/> | <hr/> |

13 Related party transactions

- a) During the year, Mr J Saunders, the son of Mrs Ruth Saunders, the executive director of the Charity, undertook the design of various publications and arranged for printing and postage where appropriate, at a cost of £35,563 (2017 £23,511), of which £ 1,330 in 2017 related to an assessed value of an advertisement in the annual magazine.

The directors of the corporate trustee considered that all charges were rendered on not more than normal commercial terms.