

**UK FRIENDS OF THE ASSOCIATION
FOR THE WELLBEING
OF ISRAEL'S SOLDIERS**

(A Company Limited by Guarantee)

**TRUSTEES' REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2019

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

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UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

Trustees

Z. C. Remez
P. A. Sussmann
J. E. Swidler
R. J. Kemp

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019

Company registered number

04094203

Charity registered number

1084272

Registered office

1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BL

Principal operating office

Unit 7, 56b Crewys Road, London, NW2 2AD

Company secretary

Z. C. Remez

Honorary president

E. Hellerstein

Independent auditors

Wilder Coe Ltd, Chartered Accountants & Statutory Auditors, 1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BL

Bankers

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

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of UK Friends Of The Association For The Wellbeing Of Israel's Soldiers (the company and the group) for the 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company and the group qualifies as small under section 383, the Strategic Report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The principal objectives of the charity as set out in the governing document are:

1. The relief of need and suffering of serving and discharged Israeli soldiers and their families;
2. The advancement of education of serving and discharged Israeli soldiers; and
3. To provide or assist in the provision of facilities for recreation or other leisure time occupations in the interest of social welfare.

There have been no changes in the objectives since the last Annual Report.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The strategies employed to achieve the charity's aims and objectives include undertaking fundraising activities and annual dinners to raise money to be able to donate to Israel through the connected charity The Association for the Wellbeing of Israel's Soldiers in Israel and other appropriate charities so that the funds can be spent to meet the above objectives.

c. PUBLIC BENEFIT

The Trustees confirm that they have, in the administration of the charity, paid due regard to the public benefit guidance published by the Charity Commission under section 4 of the Charities Act 2011.

Achievements and performance

a. REVIEW OF ACTIVITIES

In pursuit of the objectives listed above, the charity and its subsidiary undertook the following activities during the period:

The charity held an annual fund raising dinner in November 2019 which was highly successful and contributed to the donations received by the group during the period.

The charity received donations including gift aid in the year totalling £810,501 (2018: £1,044,812).

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Donations are made at the full discretion of the trustees of UK Friends of AWIS, and are given only to support projects that the Trustees deem to be consistent with the objectives of UK Friends of AWIS. The Trustees regularly travel to Israel to ensure that the funds sent from the UK are applied consistently with the charity's objectives. The charity does not undertake the projects directly themselves but provides funding for projects being undertaken by other organisations that have been pre-approved by the Trustees.

The total level of donations made to other charities totalled £588,976 (2018: £713,619).

Example of projects that were funded and the level of funding provided during the current year are:

- Example of projects that were funded and the level of funding provided during the current year are:
- Embrace project - £173,715 - to provide funding for the Israel Defence Force to help with the well-being of soldiers as specified by their Commanders including lone soldiers, injured soldiers, including the observance of religious and national holidays.
- Reception of new applicants - £20,000. With the help of local volunteers UK AWIS helped to sponsor the organisation of the reception of 25,000 young recruits in Yarkon Park. This encouraged the new recruits to understand that their wellbeing will be supported by UK Friends of AWIS throughout their military service.
- Scholarships - £79,790 - which provides funding for underprivileged former Israeli soldiers to obtain higher education by covering the full cost of tuition at an accredited institution as well as related expenses such as textbooks.
- AWIS-Israel for various welfare projects - £315,291

Financial review

a. RESERVES POLICY

The charity had total funds of £489,695 as at 31 March 2019 (2018: £604,260). The charity's subsidiary undertaking, UK AWIS Trading Limited had equity shareholders' funds of £2 as at 31 March 2019 (2018: £2).

Donations received by the charity are applied for the purposes of the charity as soon as it is practicable. The charity retains sufficient reserve funds to meet expenses. No reserves are designated.

b. PRINCIPAL FUNDING

The charity is funded through donations received throughout the year. Expenditure during the year is mainly in relation to the annual dinner which is organised in order to raise money to meet the objectives of the charity.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Structure, governance and management

a. CONSTITUTION

The company and the group is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 12 October 2000.

The company's charity number is 1084272 and its registered company number is 04094203. The company is registered at the following address:

1st Floor Sackville House
143-149 Fenchurch Street
London
EC3M 6BL

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company and the group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Trustees are appointed at the discretion of the acting trustees at the Annual General Meeting.

There is no set policy in place for the induction and training of new trustees and this is arranged as required.

c. PAY POLICY FOR SENIOR STAFF

All directors, who are also trustees of the charity, give their time freely and no director received remuneration in the period (2018: £Nil).

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The charity holds a 100% shareholding in UK AWIS Trading Limited, whose principal activity is to support fundraising for the charity through its trading activities. There are no other members of the group.

The board of Trustees of a minimum of three members, administers the charity.

The Trustees who served during the year were as follows:

Z. C. Remez
P. A. Sussmann
D. C. Tucker (resigned on 11 January 2019)
J. E. Swidler
R. J. Kemp

The honorary president is E. Hellerstein.

The company's bankers are Bank Leumi (UK) plc, 20 Stratford Place, London, W1C 1BG.

The company's auditors are Wilder Coe Ltd, Chartered Accountants & Statutory Auditors, 1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BL.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

e. RELATED PARTY RELATIONSHIPS

The charity has a very close relationship with The Association for the Wellbeing of Israel's Soldiers in Israel, a charity registered and operating in Israel.

A summary of transactions with this party is set out in note 16 to the financial statements.

f. RISK MANAGEMENT

The Trustees have assessed the major risks to which the company and the group is exposed, in particular those related to the operations and finances of the company and the group, and are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

Plans for future periods

a. FUTURE DEVELOPMENTS

The charity's plans for the future are consistent with the objectives identified within this report. The charity will continue to support and fund projects and activities in line with the objectives as the Trustees see fit.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of UK Friends Of The Association For The Wellbeing Of Israel's Soldiers for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustees is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustees has taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Wilder Coe Ltd, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees, on 13th December 2019 and signed on their behalf by:

.....
P. A. Sussman
Trustee

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UK FRIENDS OF THE ASSOCIATION FOR
THE WELLBEING OF ISRAEL'S SOLDIERS**

OPINION

We have audited the financial statements of UK Friends of the Association for the Wellbeing of Israel's Soldiers (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 set out on pages 11 to 25. 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 group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company'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.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UK FRIENDS OF THE ASSOCIATION FOR
THE WELLBEING OF ISRAEL'S SOLDIERS**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are 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 the Trustees 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 Trustees are responsible for assessing the group's and the parent charitable company'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 Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UK FRIENDS OF THE ASSOCIATION FOR
THE WELLBEING OF ISRAEL'S SOLDIERS**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company'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.

Mark Saunders BA FCA (Senior Statutory Auditor)
for and on behalf of



Wilder Coe Ltd

Chartered Accountants & Statutory Auditors

1st Floor Sackville House

143-149 Fenchurch Street

London

EC3M 6BL

Date:16 December 2019.....

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:				
Donations and legacies	4	810,501	810,501	1,044,812
Investments	5	-	-	105
TOTAL INCOME		810,501	810,501	1,044,917
EXPENDITURE ON:				
Raising funds	6	315,188	315,188	293,923
Charitable activities	8	609,878	609,878	731,176
TOTAL EXPENDITURE		925,066	925,066	1,025,099
NET MOVEMENT BEFORE OTHER RECOGNISED GAINS AND LOSSES		(114,565)	(114,565)	19,818
NET MOVEMENT IN FUNDS		(114,565)	(114,565)	19,818
RECONCILIATION OF FUNDS:				
Total funds brought forward	13	604,260	604,260	584,442
TOTAL FUNDS CARRIED FORWARD		489,695	489,695	604,260

The notes on pages 15 to 25 form part of these financial statements.

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Total funds 2019 £	Total funds 2018 £
GROSS INCOME IN THE REPORTING YEAR	13	810,501	1,044,917
Less: Total expenditure	13	925,066	1,025,099
NET INCOME FOR THE FINANCIAL YEAR		(114,565)	19,818

The notes on pages 15 to 25 form part of these financial statements.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS

(A Company Limited by Guarantee)
REGISTERED NUMBER: 04094203

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019**

	Note	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9		-		-
CURRENT ASSETS					
Debtors	11	14,910		34,559	
Cash at bank and in hand		493,300		579,301	
		<u>508,210</u>		<u>613,860</u>	
CREDITORS: amounts falling due within one year	12	<u>(18,515)</u>		<u>(9,600)</u>	
NET CURRENT ASSETS			<u>489,695</u>		<u>604,260</u>
NET ASSETS			<u>489,695</u>		<u>604,260</u>
CHARITY FUNDS					
General funds			<u>489,695</u>		<u>604,260</u>
TOTAL FUNDS			<u>489,695</u>		<u>604,260</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit has been requested by the Trustees in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 13th December 2019 and signed on their behalf by:

.....
P. A. Sussmann
Trustee

The notes on pages 15 to 25 form part of these financial statements.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04094203

COMPANY BALANCE SHEET
AS AT 31 MARCH 2019

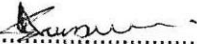
	Note	2019 £	2018 £
FIXED ASSETS			
Tangible fixed assets	9	-	-
Investments	10	2	2
		<u>2</u>	<u>2</u>
CURRENT ASSETS			
Debtors	11	14,910	58,775
Cash at bank and in hand		491,486	552,503
		<u>506,396</u>	<u>611,278</u>
CREDITORS: amounts falling due within one year	12	(16,703)	(7,020)
NET CURRENT ASSETS		<u>489,693</u>	<u>604,258</u>
NET ASSETS		<u>489,695</u>	<u>604,260</u>
CHARITY FUNDS			
Unrestricted funds		489,695	604,260
TOTAL FUNDS		<u>489,695</u>	<u>604,260</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit has been requested by the Trustees in accordance with section 145 of the Charities Act 2011.

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The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 13th December 2019 and signed on their behalf by:


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P. A. Sussmann
Trustee

The notes on pages 15 to 25 form part of these financial statements.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	14	<u>(86,001)</u>	<u>4,864</u>
Change in cash and cash equivalents in the year		<u>(86,001)</u>	<u>4,864</u>
Cash and cash equivalents brought forward		<u>579,301</u>	<u>574,437</u>
Cash and cash equivalents carried forward	15	<u><u>493,300</u></u>	<u><u>579,301</u></u>

The notes on pages 15 to 25 form part of these financial statements.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UK Friends of the Association for the Wellbeing of Israel's Soldiers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Basis of consolidation

The financial statements consolidate the accounts of UK Friends of the Association for the Wellbeing of Israel's Soldiers and of its subsidiary undertaking.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities.

The statement of financial activities of the company shows a net deficit of £114,565 (2018: *surplus of £19,818*) due to donations being made out of surplus funds from earlier years.

1.7 Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	straight line
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1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

UK FRIENDS OF THE ASSOCIATION FOR THE WELLBEING OF ISRAEL'S SOLDIERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.10 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.11 Foreign currencies

The company's functional and presentational currency is British Pounds Sterling (GBP).

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.12 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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1. ACCOUNTING POLICIES (continued)

1.15 Creditors and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.16 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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2. STAFF COSTS

The average number of persons employed by the company during the year was as follows:

	2019	2018
Trustees	5	5
Administration	2	2
	<u>7</u>	<u>7</u>

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

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	57,000	50,338
Social security costs	2,540	1,975
Employer's contribution to defined contribution pension scheme	899	420
	<u>60,439</u>	<u>52,733</u>

During the year, the honorary president, E. Hellerstein, received fees of £62,709 (2018: £52,672).

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2018: £Nil).

3. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company and group's annual accounts	6,120	5,670
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	2,664	2,580
Accountancy and payroll services	6,912	6,912
	<u>6,912</u>	<u>6,912</u>

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	810,501	810,501	1,044,812

In 2018, of the total income from donations and legacies, £1,044,812 was to unrestricted funds and £Nil was to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
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5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Interest receivable	-	-	105
	<u> </u>	<u> </u>	<u> </u>
Total 2018	<u> 105 </u>	<u> 105 </u>	

In 2018, of the total investment income, £105 was to unrestricted funds and £Nil was to restricted funds.

6. ANALYSIS OF EXPENDITURE ON FUNDRAISING ACTIVITIES

	Annual fundraising dinner £	Total funds 2019 £
Catering	48,270	48,270
Production costs	69,029	69,029
Printing	16,642	16,642
Hotels and travel	11,787	11,787
Consultancy	41,806	41,806
Support costs (note 7)	71,403	71,403
Governance costs (note 7)	56,251	56,251
	<u> 315,188 </u>	<u> 315,188 </u>

In 2018, of the total expenditure on fundraising activities, £293,923 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	General support £	Governance function £	Total funds 2019 £
Auditors' remuneration	-	8,784	8,784
Accountancy	-	6,912	6,912
Legal and professional	-	10,822	10,822
General office expenses	12,050	12,050	24,100
Hotels and travel	14,200	-	14,200
Bank charges	1,830	-	1,830
Credit card charges	1,143	-	1,143
Insurance	453	-	453
Foreign exchange	(1,030)	-	(1,030)
Salaries, wages and associated costs	42,756	17,683	60,439
	<u> 71,403 </u>	<u> 56,251 </u>	<u> 127,653 </u>

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8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Charitable activities	609,878	609,878	731,176

In 2018, of the total expenditure on charitable activities, £731,176 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

SUMMARY BY EXPENDITURE TYPE

	2019 £	2018 £
Donations to The Association for the Wellbeing of Israel's Soldiers in Israel	535,821	629,243
Donations in respect of IMPACT scholarships	53,155	84,376
Consultancy fees	20,902	17,557
	<u>609,878</u>	<u>731,176</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. TANGIBLE FIXED ASSETS

	Fixtures & fittings £
Group	
Cost	
At 1 April 2018 and 31 March 2019	6,980
Depreciation	
At 1 April 2018 and 31 March 2019	6,980
Net book value	
At 31 March 2019	-
<i>At 31 March 2018</i>	-
Company	
Cost	
At 1 April 2018 and 31 March 2019	6,980
Depreciation	
At 1 April 2018 and 31 March 2019	6,980
Net book value	
At 31 March 2019	-
<i>At 31 March 2018</i>	-

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10. FIXED ASSET INVESTMENTS

Valuation

The unquoted investment represents a 100% holding in UK AWIS Trading Limited, a company registered in the United Kingdom, whose principal activity is to support fundraising for its parent company through its trading activities. The aggregate of the capital and reserves of the company as at 31 March 2019 was £2 (2018: £2). The company reported turnover in the year ended 31 March 2019 of £141,767 (2018: £129,030) and made a profit of £Nil (2018: £Nil). The company reported expenditure in the year ended 31 March 2019 of £137,994 (2018: £125,745) which directly contributed to the charitable parent company's annual fundraising dinner.

Company	Shares in group undertakings £
Market value	
At 1 April 2018 and 31 March 2019	<u>2</u>

11. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2019 £	2018 £	2019 £	2018 £
Due within one year				
Other debtors	-	-	-	24,216
Tax recoverable	14,910	34,559	14,910	34,559
	<u>14,910</u>	<u>34,559</u>	<u>14,910</u>	<u>58,775</u>

12. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2019 £	2018 £	2019 £	2018 £
Other creditors	-	-	852	-
Accruals and deferred income	18,515	9,600	15,851	7,020
	<u>18,515</u>	<u>9,600</u>	<u>16,703</u>	<u>7,020</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. SUMMARY OF FUNDS

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
General funds	604,260	810,501	(925,066)	489,695

The funds retained at the end of the financial year reflects amounts received and earmarked for projects which had been identified but not yet commenced.

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(114,565)	19,818
Adjustment for:		
Decrease/(increase) in debtors	19,649	(14,580)
Increase/(decrease) in creditors	8,915	(374)
Net cash (used in)/provided by operating activities	(86,001)	4,864

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2019 £	2018 £
Cash in hand	493,300	579,301
Total	493,300	579,301

The cash amounts retained at the end of the financial year reflects funds received and earmarked for projects which had been identified but not yet commenced.

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16. RELATED PARTY TRANSACTIONS

The charity has a close relationship with The Association for the Wellbeing of Israel's Soldiers in Israel, a charity registered and operating in Israel.

During the year to 31 March 2019 the company sent to The Association for the Wellbeing of Israel's Soldiers in Israel donations amounting to £535,821 (2018: £629,243).

There were no terms and conditions attached to these amounts other than they must be used for the charitable purpose for which they were donated.

UK Friends of the Association for the Wellbeing of Israel's Soldiers is a company limited by guarantee and has no share capital. The liability of each member is limited to £10 per member.

17. ULTIMATE CONTROLLING PARTY

As at 31 March 2019 and 31 March 2018, there was no single ultimate controlling party of the charity.

18. PRINCIPAL SUBSIDIARIES

UK AWIS Trading Limited

Subsidiary name	UK AWIS Trading Limited
Company registration number	04201043
Basis of control	Equity shareholding
Equity shareholding %	100%
Total assets as at 31 March 2019	£ 2,666
Total liabilities as at 31 March 2019	£ (2,666)
Total equity as at 31 March 2019	£ (2)
Turnover for the year ended 31 March 2019	£ 141,767
Expenditure for the year ended 31 March 2019	£ (141,767)
Result for the year ended 31 March 2019	£ -