CHARITY REGISTRATION NUMBER: 1152675

A B Foundation

Unaudited Financial Statements

31 March 2019

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A B Foundation

Financial Statements

Year ended 31 March 2019

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A B Foundation

Trustees' Annual Report

Year ended 31 March 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name	A B Foundation
Charity registration number	1152675
Principal office	2 Merrybower Road Salford M7 4HE
The trustees	
	A Vogiel J Waldman J Waldman
Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

Structure, governance and management

AB Foundation is constituted under a deed dated 11 April 2013. It is a registered charity with a charity number being 1152675 and it was registered on the 02 July 2013.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mr J Waldman on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

It is not currently the intention of the trustees of the charity to appoint new trustees. Should the situation change in the future, the Trustees will apply suitable recruitment training and induction procedures.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Objectives and activities

The objects of the charity are: (i) For the public benefit promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education. (ii) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and /or charities, or other organisations working to prevent or relieve poverty of financial hardship.(iii) To advance the orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the code of Jewish law (Shulchan Aruch).

Public benefit
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy
The charity is funded by donations and investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals during the year.

Grants made during the year to institutions are as detailed in the accounts.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

Achievements and performance

The charity received £60,568 in donations during the year and £134,870 was paid out by way of grants and support costs in line with the stated objects of the charity.

The charity also has investment income receivable amounting to £239,408.

The trustees would like to record their appreciation for all financial support received from benefactors during the course of the year.

The charity has low governance costs. Other costs were kept low and the governance costs incurred relate to professional fees incurred during the year.

There were no investments made during the year.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no fundraising costs during the year.

There were no related party transactions in the reporting period.

There was an overall net income and net movement in funds for the year amounting to £165,106.

Financial review

Investment performance
The investment of the charity has performed well in the year.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. The investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

Reserves policy
The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the current assets of the charity.

The trustees have considered the fair value of the investment property taking into account the loan to value of the properties as well as the nature and exposure of the syndicate properties. The trustees consider the holding value to be the fair value.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future years' expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

The reserves stand at £291,064, all of which are unrestricted.

The trustees' annual report was approved on 27 January 2020 and signed on behalf of the board of trustees by:

J Waldman
Trustee

A B Foundation

Independent Examiner's Report to the Trustees of A B Foundation

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of A B Foundation ('the charity') for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

27 January 2020

A B Foundation

Statement of Financial Activities

Year ended 31 March 2019

	Note	2019 Unrestricted funds £	2019 **Total funds £**	2018 Total funds £
Income and endowments				
Donations and legacies	**4**	60,568	**60,568**	120,213
Investment income	**5**	239,408	**239,408**	43,204
Total income		299,976	**299,976**	163,417
Expenditure				
Expenditure on charitable activities	**6,7**	134,870	**134,870**	196,339
Total expenditure		134,870	**134,870**	196,339
Net income/(expenditure) and net movement in funds		165,106	**165,106**	(32,922)
Reconciliation of funds				
Total funds brought forward		125,958	**125,958**	158,881
Total funds carried forward		291,064	**291,064**	125,958

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

All income and expenditure derive from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

A B Foundation

Statement of Financial Position

31 March 2019

	Note	2019 £	£	2018 £
Fixed assets				
Investments	**13**		**278,524**	171,619
Current assets				
Debtors	**14**	**13,400**		3,555
Cash at bank and in hand		**340**		–
		13,740		3,555
Creditors: amounts falling due within one year	**15**	**1,200**		49,215
Net current assets			**12,540**	(45,660)
Total assets less current liabilities			**291,064**	125,959
Net assets			**291,064**	125,959
Funds of the charity				
Unrestricted funds			**291,064**	125,958
Total charity funds	**16**		**291,064**	125,958

These financial statements were approved by the board of trustees and authorised for issue on 27 January 2020, and are signed on behalf of the board by:

J Waldman
Trustee

The notes on pages 9 to 16 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 2 Merrybower Road, Salford, M7 4HE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The charity has net current liabilities. This is due to interest free loans from a creditor who has stated that he will not call in this loan to the detriment of the cash flow of the charity.

It is therefore appropriate to prepare the accounts on a going concern basis.

Fair value

Debtors and creditors are fairly stated.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

3. Accounting policies *(continued)*

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	**Total Funds 2019 £**	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	60,568	**60,568**	120,213	120,213

5. Investment income

	Unrestricted Funds £	**Total Funds 2019 £**	Unrestricted Funds £	Total Funds 2018 £
Income from investment properties	239,408	**239,408**	43,204	43,204

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2019 £**	Unrestricted Funds £	Total Funds 2018 £
Charitable grants	133,430	**133,430**	195,408	195,408
Support costs	1,440	**1,440**	932	931
	134,870	**134,870**	196,340	196,339

7. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	**Total funds 2019 £**	Total fund 2018 £
Charitable grants	133,430	240	**133,670**	195,439
Governance costs	–	1,200	**1,200**	900
	133,430	1,440	**134,870**	196,339

8. Analysis of support costs

	Analysis of support costs £	**Total 2019 £**	Total 2018 £
General office	240	**240**	31
Governance costs	1,200	**1,200**	900
	1,440	**1,440**	931

9. Analysis of grants

	2019 £	2018 £
Grants to institutions		
Educational grants	**76,180**	121,210
Relief of poverty grants	**25,150**	37,698
Religious grants	**32,100**	36,500
	133,430	195,408
Total grants	**133,430**	195,408

10. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**1,200**	900

11. Staff costs

The average head count of employees during the year was Nil (2018: Nil).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

13. Investments

	Investment properties £
Cost or valuation	
At 1 April 2018	**171,619**
Additions	**191,396**
Disposals	**(84,491)**
At 31 March 2019	**278,524**
Impairment	
At 1 April 2018 and 31 March 2019	
Carrying amount	
At 31 March 2019	**278,524**
At 31 March 2018	171,619

13. Investments *(continued)*

All investments shown above are held at valuation.

Investment properties

Investment properties
Investments in UK investment property comprise two investments made in investment property syndicates in the UK. The percentage holding in these syndicates is 50% and the charity has invoked Para 9.9, 9.9A and 9.9B to account for it as a normal investment syndicate. The trustees exert no significant influence over any of the investment syndicates.

Valuation of UK investment property is market (fair) value in the opinion of the trustees.

14. Debtors

	2019	2018
	£	£
Other debtors	**13,400**	3,555

15. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	**–**	303
Accruals and deferred income	**1,200**	900
Other creditors	**–**	48,012
	1,200	49,215

16. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2018	Income	Expenditure	**At 31 Mar 2019**
	£	£	£	**£**
General funds	125,958	299,976	(134,870)	**291,064**

	At 01 Apr 2017	Income	Expenditure	At 31 Mar 2018
	£	£	£	£
General funds	158,881	163,417	(196,340)	125,958

17. Analysis of net assets between funds

	Unrestricted Funds	**Total Funds 2019**
	£	**£**
Investments	278,524	**278,524**
Current assets	13,740	**13,740**
Creditors less than 1 year	(1,200)	**(1,200)**
Net assets	291,064	**291,064**

	Unrestricted Funds	Total Funds 2018
	£	£
Investments	171,619	171,619
Current assets	3,555	3,555
Creditors less than 1 year	(49,215)	(49,215)
Net assets	125,959	125,959

18. Taxation

AB Foundation is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.