

Charity registration number: 290371

The British Friends of Migdal Ohr

Annual Report and Financial Statements

for the Year Ended 31 December 2016

Brooks Green
Abbey House
342 Regents Park Road
London
N3 2LJ

The British Friends of Migdal Ohr

Contents

Reference and Administrative Details	1
Trustees' Report	2
Statement of Trustees' Responsibilities	3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 12

The British Friends of Migdal Ohr

Reference and Administrative Details

Trustees

S W Laufer

J Esfandi

A Album

O Peleg

R Haruni

Principal Office

Brecon Cottage, 27 Oak Hill Avenue, Pinner,
HA5 3DL

Charity Registration Number

290371

The British Friends of Migdal Ohr

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2016.

Objectives and activities

Public benefit

The charity provides grants to Migdal Ohr to educate and make provision for underprivileged children.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

During the year, British Friends of Migdal Ohr donated £300,000 to Migdal Ohr in Israel. The charity further donated £75,000 to FW de Klerk Foundation in South Africa. The Charity held a successful Dinner in February 2016 attended by 200 guests that were addressed by Mr FW de Klerk and Chief Rabbi Ephraim Mirvis.

Achievements and performance

The object of British Friends of Migdal Ohr is to apply funds for the charitable purposes of the Migdal Ohr organisation and Zoharim youth village programmes of education for deprived children and new immigrants in Israel. The Trustees have regard to the Charity Commission advice on public benefit.

Migdal Ohr was set up with one purpose – to save ‘At Risk’ children in Israel. By breaking the cycle of poverty, family or street violence and substance abuse that these children often face, Migdal Ohr provides a safe, nurturing and loving environment, enabling these vulnerable children to become active members of Israeli society, irrelevant of their religious orientation.

The annual report was approved by the trustees of the charity on 4 May 2017 and signed on its behalf by:

.....
S W Laufer
Trustee

The British Friends of Migdal Ohr

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 4 May 2017 and signed on its behalf by:

.....
S W Laufer
Trustee

The British Friends of Migdal Ohr

Independent Examiner's Report to the trustees of The British Friends of Migdal Ohr

I report on the accounts of the charity for the year ended 31 December 2016 which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of .

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Rowland Aarons

Brooks Green
Abbey House
342 Regents Park Road
London
N3 2LJ

19 June 2017

The British Friends of Migdal Ohr

Statement of Financial Activities for the Year Ended 31 December 2016

	Note	Unrestricted funds £	Total 2016 £	Total 2015 £
Income and Endowments from:				
Donations and legacies		703,353	703,353	345,263
Investment income	3	<u>488</u>	<u>488</u>	<u>473</u>
Total Income		<u>703,841</u>	<u>703,841</u>	<u>345,736</u>
Expenditure on:				
Raising funds		(321,693)	(321,693)	(152,590)
Charitable activities		<u>(377,637)</u>	<u>(377,637)</u>	<u>(152,907)</u>
Total Expenditure		<u>(699,330)</u>	<u>(699,330)</u>	<u>(305,497)</u>
Net movement in funds		4,511	4,511	40,239
Reconciliation of funds				
Total funds brought forward		<u>109,047</u>	<u>109,047</u>	<u>68,808</u>
Total funds carried forward	9	<u><u>113,558</u></u>	<u><u>113,558</u></u>	<u><u>109,047</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2015 is shown in note 9.

The British Friends of Migdal Ohr

(Registration number: 290371) Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Current assets			
Debtors	8	8,294	12,678
Cash at bank and in hand		<u>105,264</u>	<u>96,369</u>
		<u>113,558</u>	<u>109,047</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>113,558</u>	<u>109,047</u>
Total funds	9	<u>113,558</u>	<u>109,047</u>

The financial statements on pages 5 to 12 were approved by the trustees, and authorised for issue on 4 May 2017 and signed on their behalf by:

.....
S W Laufer
Trustee

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The British Friends of Migdal Ohr 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 notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity 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 charity is potentially 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.

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

2 Income from donations and legacies

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Donations and legacies;			
Donations from individuals	703,353	703,353	345,263
	<u>703,353</u>	<u>703,353</u>	<u>345,263</u>

3 Investment income

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	488	488	473
	<u>488</u>	<u>488</u>	<u>473</u>

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

4 Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted funds	Total 2016	Total 2015
	Note	General £	£	£
Donations		321,693	321,693	152,590

5 Expenditure on charitable activities

		Unrestricted funds	Total 2016	Total 2015
		General £	£	£
Grant funding of activities		375,000	375,000	130,000
Governance costs		2,637	2,637	22,907
		377,637	377,637	152,907
		Activity undertaken directly £	Total 2016 £	Total 2015 £
Donations to Migdal Ohr		300,000	300,000	130,000
Donations to FW De Klerk Foundation		75,000	75,000	-
		375,000	375,000	130,000

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

£Nil (2015 - £Nil) of the above expenditure was attributable to unrestricted funds and £Nil (2015 - £Nil) to restricted funds.

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Other governance costs	<u>2,637</u>	<u>2,637</u>	<u>22,907</u>
	<u>2,637</u>	<u>2,637</u>	<u>22,907</u>

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

8 Debtors

	2016 £	2015 £
Prepayments	<u>8,294</u>	<u>12,678</u>

9 Funds

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Unrestricted funds				
General	<u>(109,047)</u>	<u>(703,841)</u>	<u>699,330</u>	<u>(113,558)</u>

The British Friends of Migdal Ohr

Notes to the Financial Statements for the Year Ended 31 December 2016

	Balance at 1 January 2015 £	Incoming resources £	Resources expended £	Balance at 31 December 2015 £
Unrestricted funds				
General	<u>(68,808)</u>	<u>(703,841)</u>	<u>699,330</u>	<u>(73,319)</u>

10 Analysis of net funds

	At 1 January 2016 £	Cash flow £	At 31 December 2016 £
Cash at bank and in hand	96,369	8,895	105,264
	<u>96,369</u>	<u>8,895</u>	<u>105,264</u>