

Registered number: 04094203
Charity number: 1084272

**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 2017

TUESDAY



LD3 *L6LL3PRN* 19/12/2017 #79
COMPANIES HOUSE

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 2017

Trustees

J. P. Kemble
Z. C. Remez
P. A. Sussmann
D. C. Tucker
J. E. Swidler

**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 2017**

Company registered number

04094203

Charity registered number

1084272

Registered office

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

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
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

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 2016 to 31 March 2017. The Trustees confirm that the Annual Report and the financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group'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).

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 2016 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 £891,178 (*15 month period to 31 March 2016: £1,188,270*).

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 2017

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 £574,866 (*Period to 31 March 2016: £492,003*).

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

- Embrace project - £181,438 - to provide funding for the Israel Defence Force to help with the well-being of the soldiers as specified by their Commanders including lone soldiers, injured soldiers, including the observance of religious and national holidays.
- Needy families project - £35,110 - to help the families of soldiers from underprivileged social economic backgrounds to help them with food vouchers and basic needs.
- Updating the club and leisure facilities in the Armoured Corps base near Eilat for recreational purposes - £14,723.
- Injured Soldiers Fund - £27,064 - to provide care and support to needy soldiers that have been wounded in service while hospitalised.
- Reception of new applicants - £108,256. With the help of local volunteers UK AWIS helped to sponsor the organisation of the the reception of 25,000 young recruits in Yarkon Park. This encouraged the new recruits to understand that they will be supported by UK Friends of AWIS throughout their military service.
- IMPACT Scholarships - £93,328 - 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.
- An educational event for Amotat yad Lashiryon designated for soldiers of the Armoured Corps - £8,500.

All of the above projects and activities helped the charity to meet their principal objectives being the relief of need and suffering, advancement of education and the provision of leisure and recreational facilities in the interest of social welfare.

Financial review

a. RESERVES POLICY

The charity had total funds of £584,442 as at 31 March 2017 (*31 March 2016: £478,248*). The charity's subsidiary undertaking, UK AWIS Trading Limited had equity shareholders' funds of £2 as at 31 March 2017 (*31 March 2017: £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 and Young Person's dinner which are 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 2017

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 6BN

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 (*Period to 31 March 2016: £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:

J. P. Kemble
Z. C. Remez
P. A. Sussmann
D. C. Tucker
J. E. Swidler (appointed on 14 December 2016)

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 2017

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 15 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 2017

DISCLOSURE OF INFORMATION TO AUDITOR

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 14 Dec 2017 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**

We have audited the financial statements of UK Friends of the Association for the Wellbeing of Israel's Soldiers for the year ended 31 March 2017 set out on pages 10 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charitable company's members, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members 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 members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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 Companies Act 2006.

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**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 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 adequate 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report.

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
19 December 2017

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 2017**

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:				
Donations and legacies	4	891,178	891,178	1,188,270
TOTAL INCOME		<u>891,178</u>	<u>891,178</u>	<u>1,188,270</u>
EXPENDITURE ON:				
Raising funds	5	197,806	197,806	279,356
Charitable activities	7	587,178	587,178	492,003
TOTAL EXPENDITURE		<u>784,984</u>	<u>784,984</u>	<u>771,359</u>
NET MOVEMENT IN FUNDS		106,194	106,194	416,911
RECONCILIATION OF FUNDS:				
Total funds brought forward	12	478,248	478,248	61,337
TOTAL FUNDS CARRIED FORWARD		<u>584,442</u>	<u>584,442</u>	<u>478,248</u>

The notes on pages 14 to 24 form part of these financial statements.

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Total funds 2017 £	Total funds 2016 £
GROSS INCOME IN THE REPORTING YEAR/PERIOD	12	891,178	1,188,270
Less: Total expenditure	12	(784,984)	(776,825)
NET INCOME FOR THE FINANCIAL YEAR/PERIOD		<u>106,194</u>	<u>416,911</u>

The notes on pages 14 to 24 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 2017**

	Note	£	2017	£	£	2016	£
FIXED ASSETS							
Tangible fixed assets	8			-			-
CURRENT ASSETS							
Debtors	10		19,979			16,116	
Cash at bank and in hand			574,437			474,715	
			<u>594,416</u>			<u>490,831</u>	
CREDITORS: amounts falling due within one year	11		(9,974)			(12,583)	
NET CURRENT ASSETS				584,442			478,248
NET ASSETS				<u>584,442</u>			<u>478,248</u>
CHARITY FUNDS							
General funds	12			584,442			478,248
TOTAL FUNDS				<u>584,442</u>			<u>478,248</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.

14 December 2017

The financial statements were approved by the Trustees on and signed on their behalf by:

.....
P. A. Sussmann
Trustee

The notes on pages 14 to 24 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 2017**

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets	8	-	-
Investments	9	2	2
		<u>2</u>	<u>2</u>
CURRENT ASSETS			
Debtors	10	91,855	16,280
Cash at bank and in hand		500,039	471,549
		<u>591,894</u>	<u>487,829</u>
CREDITORS: amounts falling due within one year	11	<u>(7,454)</u>	<u>(9,583)</u>
NET CURRENT ASSETS		<u>584,440</u>	<u>478,246</u>
NET ASSETS		<u><u>584,442</u></u>	<u><u>478,248</u></u>
CHARITY FUNDS			
Unrestricted funds	12	<u>584,442</u>	<u>478,248</u>
TOTAL FUNDS		<u><u>584,442</u></u>	<u><u>478,248</u></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 by the Trustees on 14 December 2017 and signed on their behalf by:


P. A. Sussmann
Trustee

The notes on pages 14 to 24 form part of these financial statements.

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

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

		31 March 2017 £	<i>Period ended 31 March 2016 £</i>
Cash flows from operating activities			
Net cash provided by operating activities	13	99,722	409,527
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		99,722	409,527
Cash and cash equivalents brought forward		474,715	65,188
		<hr/>	<hr/>
Cash and cash equivalents carried forward	14	574,437	474,715
		<hr/> <hr/>	<hr/> <hr/>

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 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared for the 12 month period from 1 April 2016 to 31 March 2017 however the comparative figures are for the 15 month period from 1 January 2015 to 31 March 2016 and therefore comparative amounts are not entirely comparable. This has been authorised by the United Kingdom Companies House.

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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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 activity 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 all of its subsidiary undertakings ('subsidiaries').

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

The Statement of Financial Activities of the company shows net income of £106,194 (*Period to 31 March 2016: £416,911*).

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 2017

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 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.

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 2017

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.

1.18 Prior year restatement

The comparative figures in the statement of financial activities have been restated in line with updated guidance from the SORP to show costs on an activity basis.

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2. STAFF COSTS

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

	Year ended 31 March 2017	<i>Period ended 31 March 2016</i>
Trustees	4	4
Administration	1	1
	<u>5</u>	<u>5</u>

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

Staff costs were as follows:

	Year ended 31 March 2017 £	<i>Period Ended 31 March 2016 £</i>
Wages and salaries	36,075	67,057
Social security costs	21	2,781
Employer's contribution to defined contribution pension scheme	23	-
	<u>36,119</u>	<u>69,838</u>

During the year, the honorary president, E. Hellerstein, received fees of £36,937 (*Period ended 31 March 2016: £Nil*).

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (*Period ended 31 March 2016: £Nil*).

3. AUDITORS' REMUNERATION

	Year ended 31 March 2017 £	<i>Period ended 31 March 2016 £</i>
Fees payable to the company's auditor for the audit of the company and group's annual accounts	5,670	6,600
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	2,520	3,000
Accountancy and payroll services	6,588	8,100

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4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds Year ended 31 March 2017 £	<i>Total funds Period ended 31 March 2016 £</i>
Donations	891,178	<i>1,188,270</i>

In 2016, of the total income from donations and legacies, £1,188,270 was to unrestricted funds and £Nil was to restricted funds.

5. ANALYSIS OF EXPENDITURE ON FUNDRAISING ACTIVITIES

	Annual fundraising dinners £	Total funds Year ended 31 March 2017 £
Catering	56,873	56,873
Production costs	24,642	24,642
Printing	14,247	14,247
Hotels and travel	5,650	5,650
Consultancy	24,625	24,625
Other	1,485	1,485
Support costs (note 6)	22,434	22,434
Governance costs (note 6)	47,850	47,850
	197,806	197,806

In 2016, of the total expenditure on fundraising activities, £279,356 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

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6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	General support £	Governance function £	Total funds Year ended 31 March 2017 £
Auditors' remuneration	-	8,190	8,190
Accountancy	-	6,588	6,588
Legal and professional	378	5,664	6,042
General office expenses	12,400	12,399	24,799
Hotels and travel	11,632	-	11,632
Bank charges	1,344	-	1,344
Credit card charges	1,259	-	1,259
Insurance	495	-	495
Foreign exchange	(26,184)	-	(26,184)
Salaries, wages and associated costs	21,110	15,009	36,119
	<u>22,434</u>	<u>47,850</u>	<u>70,284</u>

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds Year ended 31 March 2017 £	Total funds Period ended 31 March 2016 £
Charitable activities	<u>587,178</u>	<u>492,003</u>

In 2016, of the total expenditure on charitable activities, £492,003 was expenditure from unrestricted funds and £Nil was expenditure from restricted funds.

SUMMARY BY EXPENDITURE TYPE

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Donations to The Association for the Wellbeing of Israel's Soldiers in Israel	473,038	395,714
Donations to other charitable causes	101,828	96,289
Consultancy fees	12,312	-
	<u>587,178</u>	<u>492,003</u>

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8. TANGIBLE FIXED ASSETS

	Fixtures & fittings £
Group & Company	
Cost	
At 1 April 2016 and 31 March 2017	6,980
Depreciation	
At 1 April 2016 and 31 March 2017	6,980
Net book value	
At 31 March 2017	-
<i>At 31 March 2016</i>	-
Company	
Cost	
At 1 April 2016 and 31 March 2017	6,980
Depreciation	
At 1 April 2016 and 31 March 2017	6,980
Net book value	
At 31 March 2017	-
<i>At 31 March 2016</i>	-

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9. 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 2017 was £2 (2016: £2). The company reported turnover in the year ended 31 March 2017 of £104,147 (Period ended 31 March 2016: £165,148) and made a profit of £Nil (Period ended 31 March 2016: £Nil). The company reported expenditure in the year ended 31 March 2017 of £100,769 (Period ended 31 March 2016: £161,004) which directly contributed to the charitable parent company's annual fundraising dinner.

Company	Shares in group undertakings £
Market value	
At 1 April 2016 and 31 March 2017	<u><u>2</u></u>

10. DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	£	£	£	£
Due within one year				
Other debtors	-	-	71,876	164
Prepayments and accrued income	5	2,953	5	2,953
Tax recoverable	19,974	13,163	19,974	13,163
	<u>19,979</u>	<u>16,116</u>	<u>91,855</u>	<u>16,280</u>

11. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	£	£	£	£
Other taxation and social security	552	1,273	552	1,273
Other creditors	-	600	-	600
Accruals and deferred income	9,422	10,710	6,902	7,710
	<u>9,974</u>	<u>12,583</u>	<u>7,454</u>	<u>9,583</u>

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12. SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	478,248	891,178	(784,984)	584,442

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.

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

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Net income for the year/period (as per Statement of financial activities)	106,194	416,911
Adjustment for:		
Increase in debtors	(3,863)	(11,598)
(Decrease)/increase in creditors	(2,609)	4,214
Net cash provided by operating activities	99,722	409,527

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	574,437	474,715
Total	574,437	474,715

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.

15. 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 2017 the company sent to The Association for the Wellbeing of Israel's Soldiers in Israel donations amounting to £473,038 (*Period to 31 March 2016: £395,714*).

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.

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16. SHARE CAPITAL

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 2017 and 31 March 2016, there was no single ultimate controlling party of the charity.

18. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
UK AWIS Trading Limited	United Kingdom	100%	The company's principal activity is to support fundraising for the parent company; UK Friends of the Association of Israel's Soldiers.