

# **Anglo-Israel Association**

Report and Financial Statements

Year Ended

31 December 2010

# Anglo-Israel Association

## Annual report and financial statements for the year ended 31 December 2010

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# Anglo-Israel Association

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## Officers

Lord P. Bew (Chairman from 16 February 2011)

Sir Andrew Burns KCMG (Chairman until 15 February 2011) retired from Executive and joined Council 16 November 2010

Mr M. Green (Deputy Chairman until 8 July 2010) and became Vice-President 16 November 2010

Mrs L. Hochhauser (Deputy Chairman until 8 July 2010) and became Vice-President 16 November 2010

Mr M. Ostro (Deputy Chairman until 18 March 2010)

Mr R. Bolchover (Deputy Chairman from 8 July 2010)

Professor D. Hochhauser (Deputy Chairman from 8 July 2010)

Lady Sainsbury (Chairman of Council)

Mr G.R. Pinto (Vice-President)

Mr J. Marshall (Vice-President)

Mr J. Nedas FCA (Hon Treasurer until 4 April 2011)

Mr A. Epton FCA (Hon Treasurer from 4 April 2011)

## Executive Committee (Trustees)

Lady Anderson retired from Executive and joined Council on 16 November 2010

Mrs J. Atkin

The Earl of Balfour retired from Executive and joined Council on 16 November 2010

Lord P. Bew (Chairman from 16 February 2011)

Mr R. Bolchover (Deputy Chairman from 8 July 2010)

Dr M. Brearley

Mrs E. Corob retired from Executive and joined Council on 16 November 2010

Mr A. Diamond

Miss B. Dingle joined 25 January 2011

Mr A. Epton FCA (Hon Treasurer from 4 April 2011)

Mr J.M. Greenwood retired from Executive and joined Council on 16 November 2010

Professor D. Hochhauser (Deputy Chairman from 8 July 2010)

Mrs M. Park retired from Executive and joined Council on 16 November 2010

Mr A. Reeve joined 25 January 2011

Mr W. Shawcross

Dr A. Sher joined 25 January 2011

Mr G. Smith retired from Executive on 16 November 2010

Mr D. Sumberg retired from Executive and joined Council on 16 November 2010

Mrs E. Tarling

Mr T. Vince

Mr G.A. Yablon

## Executive Director

Mrs Ruth Saunders

## Registered Office

PO Box 47819, London, NW11 7WD

## Bankers

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

## Investment Advisers

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

## Charity Number

313523

# Anglo-Israel Association

## Report of the Executive Committee for the year ended 31 December 2010

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The Executive Committee presents its report and the financial statements for the year ended 31 December 2010.

### **Aims, objectives and management**

The charitable aims and objectives are to promote education in particular and information in general about Israel.

The Association is an independent voluntary and non-political body which, since 1949, has enjoyed the active support of people of different faiths from across the political spectrum.

The Association is managed by an Executive Committee. Its day to day activities are run by the Executive Director.

### **Executive Committee**

The Members of the Executive Committee during the year are listed on page 1.

### **Risk management**

The Executive undertakes risk assessments of the Association's operations. The principal risks are assessed and steps to mitigate them are taken.

### **Review of activities**

Sixty-two years after its foundation in 1949 the Anglo-Israel Association continues to play an active and energetic role in promoting a better understanding of Israel throughout the UK. As the Accounts for 2010 show, we run on a shoestring. But, thanks to some loyal and generous donors and the energetic support of our Executive Committee, we make a disproportionate impact around the country through our educational, networking and informational activities.

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

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

The focus of our activities has evolved over the years as the challenges have changed and as the ties between our two countries have themselves deepened and intensified. In 2010 we convened our Second Ambassadors' Roundtable to discuss how Israel and the Middle East are depicted in the British media and press. We were able to have a frank and hard-hitting discussion under the skilled chairmanship of Lord Bew and Lord Anderson of Swansea and Sir Andrew Burns with prominent journalists from the UK and Israel on this very important issue.

We have always given priority to encouraging interchanges among young people facilitating travel and scholarship by students in both countries. In recent years we have assisted in funding many Israeli graduate students of very high quality to study in the UK by awarding Kenneth Lindsay Scholarships.

The funds available for these scholarships are depleted and we are looking at new ways to attract more funding. We also want to encourage British students to apply for our Wyndham Deedes scholarships to enable them to experience Israel at first hand.

# Anglo-Israel Association

## Report of the Executive Committee - continued for the year ended 31 December 2010

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Our regular bi-annual AIA Colloquia continues to flourish under the inspiring and energetic leadership of Lilian Hochhauser. We tackle issues of topical public policy interest where we hope to pull together British and Israeli experts who would not otherwise come across each other but who do share many problems and attitudes, not surprisingly given the deep similarities in our legal systems and policy-making structures. The Ninth Colloquium in 2011 will address "Genetics and Society" and will consider some of the ethical questions raised by the startling advances in genetics and drawing together scientists, legal practitioners, health workers and science writers under the chairmanship of Baroness Ruth Deech.

Consistently our most intensive and fruitful work revolves around a broad Speakers' Programme, through which we bring distinguished and articulate leaders and opinion formers to the UK, either at our own initiative or in partnership with and in response to requests from British think-tanks, universities and other bodies seeking to broaden the local understanding of the Israeli perspective. We draw from a wide pool of analysts and experts.

Presently, we are working with Professor Benny Morris of Ben Gurion University, Israel and Dr. Emanuele Ottolenghi of the Foundation for Defense of Democracies, Washington DC. We engage with a wide circle of sceptical or hostile audiences, attracting strong interest across the country and prompting repeated requests for further opportunities for frank and open debate. We shall continue to promote the kind of discussions and debate that open people's eyes, tackle persistent misconceptions and fulfil our educational and informational mandate.

Through its Executive Director, Ruth Saunders, the Anglo-Israel Association acts as a widely appreciated network coordinator. We provide platforms for calm rational debate. We seek to counter hostility to Israel and promote a better understanding of her society without seeking to undervalue the political tensions and complexities of the region. We contribute to the much broader national drive to combat anti-Semitism and racism in all its forms.

We shall continue to promote a truer and more sympathetic understanding of Israel, the realities of life there, the challenges it faces and the strengths of its people, whether Jew or Arab, whether Christian, Muslim or Jewish. For this work we need new and continuing financial support. Fundraising is a constant preoccupation but this will not distract us from our core concern to promote a broader understanding of Israel and its people.

### **Asset Cover for Funds**

Note 12 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Association's obligations on a fund by fund basis.

### **Connected Charities**

During the year the Association provided administration services to the Wyndham Deedes (Anglo-Israel) Trust Fund and the Kenneth Lindsay Scholarships Trust (Israel-Oxford) for which total charges of £2,000 were made (2009 - £2,000).

### **Trustees' responsibilities**

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and

# Anglo-Israel Association

## Report of the Executive Committee - continued for the year ended 31 December 2010

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Executive Committee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law. They 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.

### **Reserves policy**

The current level of free reserves, being the unrestricted funds not committed or invested in tangible fixed assets, is £107,818. Having regard to future development, the trustees have set a target level of free reserves of approximately 6 months expenditure. This will enable the charity to continue its current activities and allow it to respond quickly in the event of an emergency. They intend to continue their fundraising efforts with a view to maintaining the target level so that the charity will be well placed to respond to future needs. The reserves policy is reviewed annually.

### **Public Benefit**

The principal activities of the charity during the year continued to promote education in particular and information in general about Israel. The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 4 Charities Act 2006. The trustees believe that the charity achieves a public benefit by providing these services as detailed elsewhere in this report.

### **On behalf of the Executive Committee**

**Lord P Bew**  
**Chairman**

# Anglo-Israel Association

## Independent examiner's report for the year ended 31 December 2010 to the Trustees of The Anglo-Israel Association

I report on the accounts of The Anglo-Israel Association for the year ended 31 December 2010, which are set out on pages 6 to 12.

### Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; - you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, 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 Commissioners. 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 I do not express an audit opinion on the view given by the accounts.

### 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 41 of the Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 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.

**Aamer Shehzad ACCA ACA**  
**Goldwins Limited**  
**Chartered Accountants**  
**75 Maygrove Road**  
**West Hampstead**  
**London NW6 2EG**

**Anglo-Israel Association**  
**Statement of Financial Activities**  
**for the Year Ended 31 December 2010**

	Note	Unrestricted Funds £	Restricted Funds £	MCA Endowment Fund £	Total 2010 £	Total 2009 £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Donations		37,237	0	0	37,237	42,192
Professor Feldman		0	0	0	0	37,657
Subscriptions		6,168	0	0	6,168	6,844
Other income		2,366	0	0	2,366	28,411
Patrons		16,000	0	0	16,000	19,000
Activities for generating funds:						
Annual dinner		39,139	0	0	39,139	60,080
Investment income	2	0	0	19,604	19,604	19,815
Interest receivable		0	0	0	0	81
<b>Total incoming resources</b>		<b>100,910</b>	<b>0</b>	<b>19,604</b>	<b>120,514</b>	<b>214,080</b>
<b>Resources expended</b>	3					
<i>Costs of generating funds:</i>						
Investment Management fees		0	0	3,072	3,072	3,146
<i>Charitable activities:</i>						
Grants		150	10,972	0	11,122	0
AIA Colloquium		0	2,407	0	2,407	21,868
Meetings, Briefings & Conferences		24,192	0	0	24,192	561
Professor Feldman		0	0	0	0	33,604
AIA Magazine		5,711	0	0	5,711	5,590
Israel visits		1,072	0	0	1,072	3,000
Promoting education about Israel		85,153	0	0	85,153	81,826
<b>Governance costs</b>		<b>2,823</b>	<b>0</b>	<b>0</b>	<b>2,823</b>	<b>3,602</b>
<b>Total resources expended</b>		<b>119,101</b>	<b>13,379</b>	<b>3,072</b>	<b>135,552</b>	<b>153,197</b>
<b>Net incoming/(outgoing) Resources for the year</b>		<b>(18,191)</b>	<b>(13,379)</b>	<b>16,532</b>	<b>(15,038)</b>	<b>60,883</b>
Transfers		21,187	(4,655)	(16,532)	0	0
		2,996	(18,034)	0	(15,038)	60,883
<b>Other recognised gains and losses</b>						
Gain on investments	7	0	0	66,372	66,372	53,602
<b>Net income/(expenditure) after transfers</b>		<b>2,996</b>	<b>(18,034)</b>	<b>66,372</b>	<b>51,334</b>	<b>114,485</b>
Fund balances at 1 January 2010		104,822	19,414	503,542	627,778	513,293
<b>Fund balances at 31 December 2010</b>		<b>107,818</b>	<b>1,380</b>	<b>569,914</b>	<b>679,112</b>	<b>627,778</b>

The attached notes form part of these financial statements.

# Anglo-Israel Association

## Balance Sheet at 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
<b>Fixed assets</b>					
Tangible assets	6		191		258
MCA investments	7		564,638		500,405
			<hr/>		<hr/>
			564,829		500,663
<b>Current assets</b>					
Debtors	8	40,784		53,462	
Cash at bank and in hand		95,817		144,387	
		<hr/>		<hr/>	
		136,601		197,849	
<b>Creditors: amounts falling due within one year</b>					
	9	22,318		70,734	
		<hr/>		<hr/>	
<b>Net current assets</b>			114,283		127,115
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			679,112		627,778
			<hr/> <hr/>		<hr/> <hr/>
<b>Funds</b>					
MCA Endowment Fund	10		569,914		503,542
Restricted funds	11		1,380		19,414
Unrestricted funds			107,818		104,822
			<hr/>		<hr/>
			679,112		627,778
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Executive Committee on

**Lord P Bew**  
Chairman

The attached notes form part of these financial statements.

# Anglo-Israel Association

## Notes forming Part of the Financial Statements for the Year Ended 31 December 2010

### 1 Accounting policies

#### *Basis of accounting*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with applicable accounting standards, and the Charities Accounting Statement of Recommended Practice, 'Accounting and Reporting by Charities' issued in 2005 (SORP).

#### *Donations and other charitable income*

These are included in the Statement of Financial Activities when receivable.

#### *Tangible fixed assets and depreciation*

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

Computer equipment	- 33.33%
Office equipment	- 20%

#### *Investments*

All fixed asset investments are recorded at market value.

#### *Operating leases*

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

#### *Definitions*

#### *MCA Endowment Fund*

The terms and conditions relating to this fund are set out in Note 10.

#### *Restricted funds*

Donations received towards the costs of specific charitable programmes.

### 2 Investment income

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
MCA Endowment Fund	19,604	19,815

# Anglo-Israel Association

## Notes Forming Part of the Financial Statements for the Year Ended 31 December 2010 (*Continued*)

### 3 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2010 £	Total 2009 £
<b>Costs of generating funds</b>					
Investment Management fees	0	0	3,072	3,072	3,146
<b>Charitable activities</b>					
Grants payable	0	0	11,122	11,122	0
AIA Colloquium	0	0	2,407	2,407	21,868
Meetings, Briefings & Conferences	0	0	24,192	24,192	561
Professor Feldman	0	0	0	0	33,604
AIA Magazine	0	0	5,711	5,711	5,590
Israel visit	0	0	1,072	1,072	3,000
Promoting education about Israel	58,909	67	26,177	85,153	81,826
<b>Governance costs</b>					
Accountancy	0	0	2,300	2,300	2,300
Bank charges	0	0	523	523	1,302
	58,909	67	76,576	135,552	153,197
	58,909	67	76,576	135,552	153,197

### 4 Executive Committee

No members of the Executive Committee (or any persons connected with them) received any remuneration during the year.

### 5 Employees

	2010 £	2009 £
Staff costs consist of:		
Wages and salaries	58,909	61,392
	58,909	61,392

The average monthly number of employees during the year was 2. (2009 – 2)

# Anglo-Israel Association

## Notes Forming Part of the Financial Statements for the Year Ended 31 December 2010 (*Continued*)

### 6 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
<i>Cost</i>			
At 1 January 2010	6,387	680	7,067
	-----	-----	-----
At 31 December 2010	6,387	680	7,067
	-----	-----	-----
<i>Depreciation</i>			
At 1 January 2010	6,277	532	6,809
Charge for the year	37	30	67
	-----	-----	-----
At 31 December 2010	6,314	562	6,876
	-----	-----	-----
<i>Net book value</i>			
At 31 December 2010	<u>73</u>	<u>118</u>	<u>191</u>
At 31 December 2009	110	148	258
	=====	=====	=====

The fixed assets are mainly used for direct charitable expenditure.

### 7 Investments

	<b>MCA Endowment Fund</b>	
	<b>2010</b>	<b>2009</b>
	£	£
Market value as at 1 January 2010	500,405	446,803
Realised profit	10,217	2,568
Unrealised profits on revaluation	56,155	51,034
Portfolio management charge	(2,854)	0
Transfer from Investment income	715	0
	-----	-----
Market value as at 31 December 2010	564,638	500,405
	=====	=====

# Anglo-Israel Association

## Notes Forming Part of the Financial Statements for the Year Ended 31 December 2010 (Continued)

<b>8 Debtors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Annual Dinner	26,192	45,805
Prepayments, accrued income and sundry debtors	14,592	7,657
	<hr/>	<hr/>
	40,784	53,462
	<hr/> <hr/>	<hr/> <hr/>
<b>9 Creditors: amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Annual Dinner and other creditors	0	11,970
Loans	0	52,000
Accruals and deferred income	10,068	6,764
Amounts due to connected charities	12,250	0
	<hr/>	<hr/>
	22,318	70,734
	<hr/> <hr/>	<hr/> <hr/>

### **10 The MCA Endowment Fund**

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

- (a) the total of income and realised and unrealised gains spent in any full financial year of the Association does not exceed 8% of the original grant of £523,000 on 31 December 2000 as increased by the percentage increase in the Retail Prices Index from that date to the beginning of such financial year (31 December 2010 - ) but so that any unspent part of such 8% may be carried forward and spent in subsequent financial years in addition to such 8% limit for each such year and
- (b) the market value of the capital of the Fund (after deducting any losses and liabilities, whether actual, accrued or contingent) not more than 30 days prior to the date on which the Association's trustees resolve to spend the gains is not less than the original grant (increased as specified in (a) above) after excluding the gains resolved to be spent.

# Anglo-Israel Association

## Notes Forming Part of the Financial Statements for the Year Ended 31 December 2010 (Continued)

### 11 Restricted funds

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

Fund	Balance at 1 January 2010 £	Movements		Balance at 31 December 2010 £
		Income £	Transfers/ Expenditure £	
Church Leaders	764	0	0	764
Nurses	4,655	0	(4,655)	0
Kenneth Lindsay	10,972	0	(10,972)	0
Colloquium	3,023	0	(2,407)	616
	<u>19,414</u>	<u>0</u>	<u>(18,034)</u>	<u>1,380</u>

The Church Leaders Fund comprises donations made to take Church leaders to Israel on fact finding trips.

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

### 12 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	MCA Endowment Fund £	Total Funds £
Fund balances at 31 December 2010 are represented by				
Tangible fixed assets	191	0	0	191
Investments	0	0	564,638	564,638
Current assets	129,945	1,380	5,276	136,601
Creditors: amounts falling due within one year	(22,318)	0	0	(22,318)
	<u>107,818</u>	<u>1,380</u>	<u>569,914</u>	<u>679,112</u>

### 13 Commitments under operating leases

At 31 December 2010 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2010 £	2009 £
Expiry date:		
In 1 to 5 years	7,700	6,500
	<u>7,700</u>	<u>6,500</u>