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Company Registration No. 4204458 (England and Wales)

**BRITAIN ISRAEL COMMUNICATIONS &  
RESEARCH CENTRE**

**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30 APRIL 2003**



**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**COMPANY INFORMATION**

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<b>Directors</b>	Poju Zabłudowicz (Chairman) Brian Kerner Philip Rubenstein
<b>Secretary</b>	David Green
<b>Company number</b>	4204458
<b>Registered office</b>	15 Cavendish Square London W1G 9DB
<b>Auditors</b>	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER

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**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
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**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2003**

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The directors present their report and accounts for the year ended 30 April 2003.

**Principal activities**

The principal activity of the company continued to be that of advancement of the education and understanding of the public in relation to matters pertaining to Israel and the Middle East.

**Results and dividends**

The deficit for the year amounted to £23,547.

**Directors and their interests**

The directors at 30 April 2003 were:

Poju Zabłudowicz (Chairman)  
Brian Kerner  
Philip Rubenstein  
Mrs Jo Wagerman OBE

Mark Berg resigned as a director on 5 June 2002.

Mrs Jo Wagerman resigned as a director on 18 May 2003.

**Auditors**

A resolution proposing the reappointment of H W Fisher & Company as auditors will be put to the members at the next Annual General Meeting.

On behalf of the Board

David Green  
Secretary

Dated: .....

*David Green*  
*9 September 2003*

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS**

We have audited the accounts of Britain Israel Communications & Research Centre for the year ended 30 April 2003 set out on pages 4 to 10. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 6.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 April 2003 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*H W Fisher & Company*

**H W Fisher & Company**

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

Dated: *10 September 2003*

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 APRIL 2003**

	Notes	Year ended 30 April 2003 £	Period ended 30 April 2002 £
Turnover	2	460,921	372,674
Administrative expenses		(484,655)	(318,633)
Operating (deficit)/surplus	3	(23,734)	54,041
Other income	6	187	489
(Deficit)/surplus on ordinary activities before taxation		(23,547)	54,530
Tax on surplus on ordinary activities	7	4	(49)
(Deficit)/surplus on ordinary activities after taxation		(23,543)	54,481
Accumulated surplus brought forward		54,481	-
Retained surplus carried forward		30,938	54,481

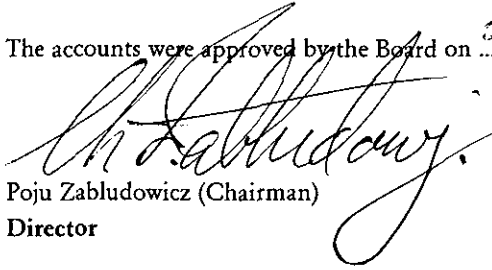
The income and expenditure account has been prepared on the basis that all operations are continuing operations.

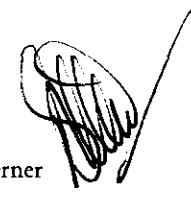
There are no recognised gains and losses other than those passing through the income and expenditure account.

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**AS AT 30 APRIL 2003**

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Tangible assets	8		29,781		24,594
<b>Current assets</b>					
Debtors	9	32,258		41,270	
Cash at bank and in hand		5		30,000	
		<u>32,263</u>		<u>71,270</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(31,106)</u>		<u>(41,383)</u>	
<b>Net current assets</b>			<u>1,157</u>		<u>29,887</u>
<b>Total assets less current liabilities</b>			<u>30,938</u>		<u>54,481</u>
<b>Capital and reserves</b>					
Income and expenditure account			<u>30,938</u>		<u>54,481</u>
<b>Members' funds</b>	11		<u>30,938</u>		<u>54,481</u>

The accounts were approved by the Board on 9 September 2003

  
 Poju Zabłudowicz (Chairman)  
 Director

  
 Brian Kerner  
 Director



**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 2003**

**1 Accounting policies**

**1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention.

The accounts relate to the year ended 30 April 2003. The comparatives relate to the period 24 April 2001 to 30 April 2002.

**1.2 Turnover**

Turnover represents income received from donations and advertising income.

**1.3 Tangible fixed assets and depreciation**

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

Computer equipment	33.3% reducing balance
Fixtures, fittings & equipment	20% reducing balance

**1.4 Leasing**

Rental payments under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

**1.5 Deferred taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**1.6 Foreign currency translation**

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to the income and expenditure account.

**2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

<b>3 Operating (deficit)/surplus</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating (deficit)/surplus is stated after charging:		
Depreciation of owned tangible fixed assets	11,027	9,745
Operating lease rentals		
- Other assets	37,600	9,780
Auditors' remuneration	1,609	1,998

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**

**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30 APRIL 2003**

<b>4</b>	<b>Directors' emoluments</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	Aggregate emoluments	6,498	55,119
	Company contributions to defined contribution pension schemes	292	2,334
	Compensation for loss of office	40,000	-
		<u>46,790</u>	<u>57,453</u>
<b>5</b>	<b>Employees</b>		
	<b>Number of employees</b>		
	The average monthly number of employees during the year was:		
		<b>2003</b>	<b>2002</b>
		<b>Number</b>	<b>Number</b>
	Administration	<u>6</u>	<u>5</u>
	<b>Employment costs</b>		
		<b>£</b>	<b>£</b>
	Wages and salaries	167,827	121,079
	Social security costs	16,718	11,018
	Other pension costs	292	2,334
		<u>184,837</u>	<u>134,431</u>
<b>6</b>	<b>Other income</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	Interest receivable and similar income	<u>187</u>	<u>489</u>

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 2003**

7	Tax on (deficit)/surplus on ordinary activities	2003 £	2003 £	2002 £	2002 £
	<b>Current tax</b>				
	<u>UK corporation tax</u>				
	Current tax on income for the period	-		49	
	Adjustments in respect of prior periods	(4)		-	
			(4)		49
	<b>Factors affecting the tax charge for the year</b>				
	(Deficit)/surplus on ordinary activities before taxation		(23,547)		54,530
	(Deficit)/surplus on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2002 : 10.00%)		-		5,453
	<b>Effects of:</b>				
	Income not subject to corporation tax		-		(4,240)
	Capital allowances for period in excess of depreciation		-		(1,164)
	Adjustments to tax charge in respect of previous periods		(4)		-
	<b>Current tax charge</b>		(4)		49

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 2003**

**8 Tangible fixed assets**

	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 May 2002	21,576	12,763	34,339
Additions	7,108	9,106	16,214
<b>At 30 April 2003</b>	<b>28,684</b>	<b>21,869</b>	<b>50,553</b>
<b>Depreciation</b>			
At 1 May 2002	7,192	2,553	9,745
Charge for the year	7,164	3,863	11,027
<b>At 30 April 2003</b>	<b>14,356</b>	<b>6,416</b>	<b>20,772</b>
<b>Net book value</b>			
At 30 April 2003	14,328	15,453	29,781
At 30 April 2002	14,384	10,210	24,594

**9 Debtors**

	2003	2002
	£	£
Other debtors	25,118	33,635
Prepayments and accrued income	7,140	7,635
	<b>32,258</b>	<b>41,270</b>

**10 Creditors: amounts falling due within one year**

	2003	2002
	£	£
Bank overdrafts	14,578	25,556
Corporation tax	-	49
Other creditors	15,000	-
Accruals and deferred income	1,528	15,778
	<b>31,106</b>	<b>41,383</b>

**BRITAIN ISRAEL COMMUNICATIONS & RESEARCH CENTRE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 2003**

11 Reconciliation of movements in members' funds	2003 £	2002 £
(Deficit)/surplus for the financial period	(23,543)	54,481
Opening members' funds	54,481	-
Closing members' funds	<u>30,938</u>	<u>54,481</u>

**12 Commitments under operating leases**

At 30 April 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2003 £	2002 £
Expiry date:		
Between two and five years	<u>37,600</u>	<u>37,600</u>