

REGISTERED COMPANY NUMBER: 03609638 (England and Wales)
REGISTERED CHARITY NUMBER: 1071978

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
THE UKI CHARITABLE FOUNDATION**

Mellnek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

THE UKI CHARITABLE FOUNDATION
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

| | Page |
|---|-------------|
| Reference and Administrative Details | 1 |
| Report of the Trustees | 2 to 4 |
| Report of the Independent Auditors | 5 to 7 |
| Statement of Financial Activities | 8 |
| Balance Sheet | 9 |
| Cash Flow Statement | 10 |
| Notes to the Cash Flow Statement | 11 |
| Notes to the Financial Statements | 12 to 20 |
| Detailed Statement of Financial Activities | 21 |

THE UKI CHARITABLE FOUNDATION
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

| | |
|----------------------------------|--|
| TRUSTEES | V Schimmel Company Director N E Schimmel Company Director (appointed 27.10.21) J Schimmel Company Director A Schimmel Company Director (appointed 27.10.21) |
| REGISTERED OFFICE | 121 Princes Park Avenue London NW11 0JS |
| REGISTERED COMPANY NUMBER | 03609638 (England and Wales) |
| REGISTERED CHARITY NUMBER | 1071978 |
| AUDITORS | Melinek Fine LLP Chartered Accountants Statutory Auditors First Floor, Winston House 349 Regents Park Road London N3 1DH |
| SOLICITORS | Maurice Turnor Gardner LLP 15th Floor Milton House Milton Street London EC2Y 9BH |
| BANKERS | Barclays Bank Plc 1 Churchill Place London E14 5HP The Cooperative Bank 4th Floor 9 Prescott Street London E1 8AZ |

THE UKI CHARITABLE FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charitable company was established for charitable purposes which the Trustees choose to support, at their absolute discretion. The charitable purposes are for the public benefit.

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant making activity. The trustees recognise that this strategy may take several years and that in the meantime, charitable expenditure levels may be variable.

The trustees are satisfied that the grants made are wholly in pursuit of its charitable aims.

Public benefit

The trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when managing the charity's activities, reviewing the aims and objectives and planning for future activities.

Investments

The Charity has invested in properties and other investments to generate income to allow it to make grants to organisations to enable them to benefit those in need.

Grantmaking

The principal object of the charitable company is to provide grants to institutions and individuals as the trustees see fit.

Volunteers

The charity does not have any volunteers.

No staff were employed during the period.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Over the financial year ended 31 March 2022, donations totalling £564,255 (2021: £177,295) were made.

The net incoming resources for the year as set out on the Statement of Financial Activities (SOFA) were a deficit of £296,874 (2021: £209,347 surplus).

FINANCIAL REVIEW

Reserves policy

The trustees reserve policy is to achieve and maintain an appropriate but not excessive level of reserves to support its activities, taking into account the risks to which it is exposed. The charity holds reserves in the form of funds that are earmarked by the trustees as net current assets.

Significant grants were made during the year, which reduced free reserves to a level more consistent with the charity's objectives.

At the year end the charity had unrestricted funds totalling £6,471,029 (2021: £6,767,903). By excluding fixed assets less long term liabilities from the total funds, adjusted free reserves are a surplus of £822,592 (2021: £2,103,130).

Fixed assets (property and investments) is valued at £7,134,763 (2021: £6,375,000).

The trustees have reviewed the cashflow projections of the charity and given the projected flow of rental and investment income, the charity has sufficient cash to meet its commitments as they fall due.

FUTURE PLANS

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant-making activity.

THE UKI CHARITABLE FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 30 July 1998

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

Recruitment and appointment of new trustees

New Trustees are appointed by the existing board of trustees. Subsequent to the year end, two new trustees were appointed. Suitable recruitment and training procedures are being applied by the trustees. The day to day affairs of the charity are administered by the Board of Trustees.

Decision making

The trustees believe that the best interests of the charity are served by focusing on the investment strategy in areas which they are familiar with. All approaches to the charity for grants are considered carefully and discussed at trustee meetings to assess the suitability of the organisation making the request.

Risk management

The trustees have identified and reviewed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The UKI Charitable Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Melinek Fine LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

THE UKI CHARITABLE FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 24 JANUARY 2023 and signed on its behalf by:


.....
A Schimmel - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE UKI CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The UKI Charitable Foundation (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

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 2022 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE UKI CHARITABLE FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the trustees and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related legislation). We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the trustees.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE UKI CHARITABLE FOUNDATION**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Aryeh Mellnek (Senior Statutory Auditor)
for and on behalf of Mellnek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Date: 24/01/2023

THE UKI CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

| | | 2022 Unrestricted fund £ | 2021 Total funds as restated £ |
|------------------------------------|-------|---|--|
| INCOME AND ENDOWMENTS FROM | Notes | | |
| Investment income | 3 | 606,121 | 596,994 |
| EXPENDITURE ON | | | |
| Raising funds | 4 | 334,160 | 156,932 |
| Charitable activities | 5 | | |
| Grants to organisations | | 564,255 | 177,295 |
| Other | | 10,545 | 53,420 |
| Total | | 908,960 | 387,647 |
| Net gains on investments | | 5,965 | - |
| NET INCOME/(EXPENDITURE) | | (296,874) | 209,347 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | 6,767,903 | 6,558,556 |
| TOTAL FUNDS CARRIED FORWARD | | 6,471,029 | 6,767,903 |

The notes form part of these financial statements

THE UKI CHARITABLE FOUNDATION

BALANCE SHEET
31 MARCH 2022

| | Notes | 2022 Unrestricted fund £ | 2021 Total funds as restated £ |
|--|-------|-----------------------------------|--|
| FIXED ASSETS | | | |
| Investments | | | |
| Investments | 12 | 759,763 | - |
| Investment property | 13 | 6,375,000 | 6,375,000 |
| | | 7,134,763 | 6,375,000 |
| CURRENT ASSETS | | | |
| Debtors | 14 | 726,344 | 775,114 |
| Cash at bank | | 648,995 | 1,766,096 |
| | | 1,375,339 | 2,541,210 |
| CREDITORS | | | |
| Amounts falling due within one year | 15 | (552,747) | (438,080) |
| NET CURRENT ASSETS | | 822,592 | 2,103,130 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 7,957,355 | 8,478,130 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 16 | (1,486,326) | (1,710,227) |
| NET ASSETS | | 6,471,029 | 6,767,903 |
| FUNDS | 19 | | |
| Unrestricted funds | | 6,471,029 | 6,767,903 |
| TOTAL FUNDS | | 6,471,029 | 6,767,903 |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on ~~24 JANUARY 2023~~ and were signed on its behalf by:



A Schlömmel - Trustee

The notes form part of these financial statements

THE UKI CHARITABLE FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

| | | 2022 | 2021 as restated |
|---|-------|-----------------------|-------------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | (147,023) | 811,125 |
| Interest paid | | (61,211) | (108,783) |
| Net cash (used in)/provided by operating activities | | <u>(208,234)</u> | <u>702,342</u> |
| Cash flows from investing activities | | | |
| Purchase of fixed asset investments | | (753,798) | - |
| Interest received | | 71,831 | 37,442 |
| Net cash (used in)/provided by Investing activities | | <u>(681,967)</u> | <u>37,442</u> |
| Cash flows from financing activities | | | |
| New loans in year | | - | 1,710,227 |
| Loan repayments in year | | (226,900) | (1,020,002) |
| Net cash (used in)/provided by financing activities | | <u>(226,900)</u> | <u>690,225</u> |
| Change in cash and cash equivalents in the reporting period | | <u>(1,117,101)</u> | <u>1,430,009</u> |
| Cash and cash equivalents at the beginning of the reporting period | | <u>1,766,096</u> | <u>336,087</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>648,995</u></u> | <u><u>1,766,096</u></u> |

The notes form part of these financial statements

THE UKI CHARITABLE FOUNDATION

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 | 2021 as restated |
|--|-----------|---------------------|
| | £ | £ |
| Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | (296,874) | 209,347 |
| Adjustments for: | | |
| Losses on investments | (5,965) | - |
| Interest received | (71,831) | (37,442) |
| Interest paid | 61,211 | 108,783 |
| Decrease in debtors | 48,770 | 494,133 |
| Increase in creditors | 117,666 | 36,304 |
| Net cash (used in)/provided by operations | (147,023) | 811,125 |

2. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.4.21 £ | Cash flow £ | At 31.3.22 £ |
|---------------------------------|--------------------|--------------------|--------------------|
| Net cash | | | |
| Cash at bank | 1,766,096 | (1,117,101) | 648,995 |
| | <u>1,766,096</u> | <u>(1,117,101)</u> | <u>648,995</u> |
| Debt | | | |
| Debts falling due within 1 year | (229,000) | 3,000 | (226,000) |
| Debts falling due after 1 year | (1,710,227) | 223,901 | (1,486,326) |
| | <u>(1,939,227)</u> | <u>226,901</u> | <u>(1,712,326)</u> |
| Total | <u>(173,131)</u> | <u>(890,200)</u> | <u>(1,063,331)</u> |

The notes form part of these financial statements

THE UKI CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gross income consists of Investment Income arising from the charity's assets.

Income is categorised as Income from investment and other income and is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably. All income is accounted for gross, before deducting any related fees or costs.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Fixed asset investments

Fixed asset investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date, at the end of the financial period. Investment properties are not depreciated.

The main investment property is carried at fair value with reference to an independent professional valuation by Collers International Property Advisors UK LLP in September 2020. The change in fair value has been recognised in the year.

Taxation

The charity is exempt from corporation tax on its charitable activities. The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

Going concern

As part of the trustees assessment of going concern, the trustees have reviewed the cash flow projections of the charity. In light of the projected flow of rental income and the current and future committed support from the charity's lender, the Co-operative Bank, it is the opinion of the trustees, that the charity has sufficient cash to meet its commitments as they fall due.

Future assumption continues to be that the income will continue from the charity's investments, and the risks are subject to ensuring that lessees continue to be suitable for letting to tenants.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors

A liability, and related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated. Short term creditors are measured at transaction price (which is usually the invoice price).

Foreign currencies

Transactions in foreign currencies are recognised at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Significance of financial instruments to the charity's position

The charity 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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

Investment properties are valued by the trustees with reference to current market rents and yields for similar properties, in addition to available information in respect of resale values and property specific factors such as location and condition of the property. Therefore the valuations are subject to a degree of uncertainty, particularly in periods of difficult market or economic conditions.

Investments

The company makes an estimate of the fair value of unlisted investments. When assessing fair value of such investments, management considers factors including the current net assets and profitability of the investment.

Debtors

Debtors are measured at transaction price, less any impairment. Loans Notes receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. The estimation of impairments is such that actual outcomes could differ significantly from those estimates.

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

3. INVESTMENT INCOME

| | 2022 | 2021 as restated |
|------------------------------|----------------|---------------------|
| | £ | £ |
| Rents received | 530,435 | 525,239 |
| Income from lease extensions | 2,748 | - |
| Interest received | 71,831 | 37,442 |
| Insurance reimbursement | - | 21,729 |
| Commission received | 1,107 | 12,584 |
| | <u>606,121</u> | <u>596,994</u> |

4. RAISING FUNDS

Investment management costs

| | 2022 | 2021 as restated |
|--------------------------------------|----------------|---------------------|
| | £ | £ |
| Property letting and management fees | 6,057 | 5,942 |
| Other property outgoings | 29,015 | 797 |
| Insurance | 10,254 | 21,571 |
| Professional fees | 8,971 | 2,463 |
| Property rates and service charges | 221,595 | 64,857 |
| Interest payable and similar charges | 58,268 | 61,302 |
| | <u>334,160</u> | <u>156,932</u> |

5. CHARITABLE ACTIVITIES COSTS

| | Grant funding of activities (see note 6) £ |
|-------------------------|---|
| Grants to organisations | <u>564,255</u> |

6. GRANTS PAYABLE

| | 2022 | 2021 as restated |
|-------------------------|----------------|---------------------|
| | £ | £ |
| Grants to organisations | <u>564,255</u> | <u>177,295</u> |

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

6. GRANTS PAYABLE - continued

The total grants paid to institutions during the year was as follows:

| | 2022 | 2021 as restated |
|---|-----------------------|-----------------------|
| | £ | £ |
| KKL Charity Accounts | 198,600 | - |
| Ahavat Yisroel UK | 130,700 | - |
| The Marque Foundation | - | 157,350 |
| Asser Bishvil Foundation | 38,000 | - |
| Friends of Yad Sarah | 37,500 | - |
| Genesis Philanthropy Group | 36,000 | - |
| The Kemach Foundation | 22,100 | - |
| Follicular Lymphoma Foundation | 18,000 | - |
| Colel Chabad | - | 18,000 |
| Chevras Mo'oz Ladol | 15,600 | - |
| Achisomech Aid Company | 15,000 | - |
| BSD Charitable Trust | 10,000 | - |
| Mizrachi UK | 9,000 | - |
| British Friends of Tzohar | 7,300 | - |
| Noa Girls | 5,000 | - |
| Other donations (<£5,000 in aggregate) | 21,455 | 1,945 |
| | <u>564,255</u> | <u>177,295</u> |

7. SUPPORT COSTS

| | Governance costs £ |
|--------------------------|--------------------------|
| Other resources expended | <u>7,602</u> |

8. NET INCOME/(EXPENDITURE)

Net Income/(expenditure) is stated after charging/(crediting):

| | 2022 | 2021 as restated |
|------------------------|---------------------|---------------------|
| | £ | £ |
| Auditors' remuneration | <u>7,500</u> | <u>5,875</u> |

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund as restated £ |
|------------------------------------|--|
| INCOME AND ENDOWMENTS FROM | |
| Investment income | 596,994 |
| EXPENDITURE ON | |
| Raising funds | 156,932 |
| Charitable activities | |
| Grants to organisations | 177,295 |
| Other | 53,420 |
| Total | <u>387,647</u> |
| NET INCOME | 209,347 |
| RECONCILIATION OF FUNDS | |
| Total funds brought forward | 6,558,556 |
| TOTAL FUNDS CARRIED FORWARD | <u><u>6,767,903</u></u> |

11. PRIOR YEAR ADJUSTMENT

Subsequent to the signing of the financial statements for the year ended 31 March 2021 the trustees identified a prior year adjustment impacting the 2021 financial statements.

Loan Notes with net book value of £465,718 have been reclassified from fixed assets investment to debtors.

12. FIXED ASSET INVESTMENTS

| | Unlisted investments £ |
|-----------------------|------------------------------|
| MARKET VALUE | |
| Additions | 753,798 |
| Revaluations | 5,965 |
| At 31 March 2022 | <u>759,763</u> |
| NET BOOK VALUE | |
| At 31 March 2022 | <u>759,763</u> |
| At 31 March 2021 | <u><u>–</u></u> |

All fixed assets investment are held outside the UK.

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2022 is represented by:

| | Unlisted investments £ |
|-------------------|---------------------------------------|
| Valuation In 2022 | 5,965 |
| Cost | 753,798 |
| | <u>759,763</u> |

In the opinion of the trustees, the aggregate value of the investments is not less than the amount included in the balance sheet.

13. INVESTMENT PROPERTY

| | £ |
|--------------------------------------|-------------------------|
| FAIR VALUE | |
| At 1 April 2021 and 31 March 2022 | <u>6,375,000</u> |
| NET BOOK VALUE | |
| At 31 March 2022 | <u>6,375,000</u> |
| At 31 March 2021 | <u>6,375,000</u> |

The main investment property has been independently valued by Colliers International UK property advisors in September 2020 at £6,250,000.

The valuation of the investment property is based on the market value in accordance with the following definition: The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction.

14. DEBTORS

| | 2022 £ | 2021 as restated £ |
|---|-----------------------|-----------------------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 170,007 | 99,795 |
| Other debtors | 93,554 | 66,571 |
| Prepayments and accrued income | 153,721 | 203,601 |
| | <u>417,282</u> | <u>369,967</u> |
| Amounts falling due after more than one year: | | |
| Other debtors | <u>309,062</u> | <u>405,147</u> |
| Aggregate amounts | <u>726,344</u> | <u>775,114</u> |

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 as restated |
|---|-----------------------|---------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 17) | 226,000 | 229,000 |
| VAT | 36,502 | 32,903 |
| Accruals and deferred income | 290,245 | 176,177 |
| | <u>552,747</u> | <u>438,080</u> |

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2022 | 2021 as restated |
|--------------------------|-------------------------|---------------------|
| | £ | £ |
| Bank loans (see note 17) | <u>1,486,326</u> | <u>1,710,227</u> |

17. LOANS

An analysis of the maturity of loans is given below:

| | 2022 | 2021 as restated |
|---|-----------------------|---------------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | <u>226,000</u> | <u>229,000</u> |
| Amounts falling between one and two years: | | |
| Bank loans - 1-2 years | <u>452,000</u> | <u>458,000</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>678,000</u> | <u>565,227</u> |
| Amounts falling due in more than five years: | | |
| Repayable by Instalments: | | |
| Bank loans more 5 yr by instal | 356,326 | 687,000 |

18. SECURED DEBTS

The following secured debts are included within creditors:

| | 2022 | 2021 as restated |
|------------|-------------------------|---------------------|
| | £ | £ |
| Bank loans | <u>1,712,326</u> | <u>1,939,227</u> |

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

19. MOVEMENT IN FUNDS

| | At 1.4.21 £ | Net movement in funds £ | At 31.3.22 £ |
|---------------------------|------------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 6,767,903 | (296,874) | 6,471,029 |
| TOTAL FUNDS | <u>6,767,903</u> | <u>(296,874)</u> | <u>6,471,029</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 606,121 | (908,960) | 5,965 | (296,874) |
| TOTAL FUNDS | <u>606,121</u> | <u>(908,960)</u> | <u>5,965</u> | <u>(296,874)</u> |

Comparatives for movement in funds

| | At 1.4.20 £ | Net movement in funds £ | At 31.3.21 £ |
|---------------------------|------------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 6,558,556 | 209,347 | 6,767,903 |
| TOTAL FUNDS | <u>6,558,556</u> | <u>209,347</u> | <u>6,767,903</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 596,994 | (387,647) | 209,347 |
| TOTAL FUNDS | <u>596,994</u> | <u>(387,647)</u> | <u>209,347</u> |

THE UKI CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

20. RELATED PARTY DISCLOSURES

During the year, no grants (2021:£157,350) were made to The Marque Foundation, a charity with a common trustee.

21. ULTIMATE CONTROLLING PARTY

The charity is a company limited by guarantee. The members of the company are the trustees. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.