

Charity Registration No. 1072479

Company Registration No. 03566659 (England and Wales)

YEMIN CHARITABLE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

YEMIN CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Henry Mr H Neumann Mr P Neumann
Charity number	1072479
Company number	03566659
Principal address	Steward House 309 Bury New Road Salford M7 2YN
Registered office	1st Floor Cloister House Riverside, New Bailey Street Manchester M3 5FS
Auditor	Lopian Gross Barnett & Co 1st Floor, Cloister House Riverside New Bailey Street Manchester M3 5FS
Bankers	Barclays bank Plc 51 Mosley Street Manchester M60 2AU

YEMIN CHARITABLE TRUST LIMITED

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YEMIN CHARITABLE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are to distribute funds to religious, educational and similar charities for the advancement of religion in accordance with the orthodox Jewish faith and the relief of poverty. These are for the benefit of the public in expanding religious knowledge and relieving poverty. The policies adopted in furtherance of these objects are to identify orthodox Jewish charities which carry out activities such as providing orthodox Jewish education and other activities which advance religion in accordance with the orthodox Jewish faith or which relieve poverty and there has been no change in these during the year.

Each year the trustees review the charity's objectives and activities to ensure they continue to reflect the charity's aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for public benefit.

The charity's income comprises investment income and charitable donations.

The objective of the charity for the year was to maintain a stable flow of donations going to worthy causes in the Jewish community. The trustees also aim to expand the charity's investment portfolio whenever the opportunity arises. No particular criteria or measures are used to assess success in achieving these aims or objectives.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The only activities undertaken have been, investing in properties, monitoring the charity's investment income and making grants to a number of charities in accordance with the above objectives and policies. The trustees also control other charities with the same objectives and policies and have made grants to those charities.

Achievements and performance

The charity has continued to distribute funds to other charities during the year. Incoming resources were distributed after the charity met loan repayments and similar obligations and after making further investments. Remaining cash reserves are available for future investments. The governors are pleased with the investment performance and with the level of donations given to worthy causes.

At the period end the charity held various property investments which were valued at £7,216,844 and generated income of £851,398.

YEMIN CHARITABLE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The trustees' investment powers are governed by the charity's Articles of Association which permit the trustees to invest the charity's funds as they see fit.

The trustees are experienced property investors and have invested the charity's funds in property in order to generate funds for distribution. Investments are chosen on the basis of achieving a yield in excess of that available from cash deposits while maintaining security of income.

The charity's funds for distribution are derived from donations received and investment income. The net total income was £804,667 including a foreign exchange loss of £107,489. This left a surplus of £766,328 after costs of £38,339. The charity's property investment values decreased by £2,748,597.

The charity distributed £395,165 to various charities for the advancement of religion in accordance with the orthodox Jewish faith and for the relief of poverty which resulted in an overall decrease in reserves of £2,377,434.

There is no formal policy to maintain a level of reserves other than as required for the charity's investment portfolio. The trustees are continually looking for appropriate investments which will ensure that a return can be achieved without undue risk. The reserves are maintained in line with this policy.

No significant event affected the financial performance and financial position of the charity during the year. Nor have any been identified that are likely to do so currently or in the future.

The trustees have identified the principal risks and uncertainties facing the charity and have also adopted plans and strategies to manage these as follows:

- Decline in values of investment properties are managed by investing in good quality property investments with reliable tenants as confirmed by independent valuations obtained on purchase and by regular monitoring by the trustees.

- Decrease in income is managed by letting to reliable tenants as above; maintaining informal reserves in the charity; and having funds available to the trustees to loan to the charity if required.

The trustees' investment powers are governed by the charity's Articles of Association which permit the trustees to invest the charity's funds as they see fit.

The trustees are experienced property investors and have invested the charity's funds in property in order to generate funds for distribution. Investments are chosen on the basis of achieving a yield in excess of that available from cash deposits while maintaining security of income and the underlying asset.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The trustees will continue to make investments in the best interests of the charity in order to achieve its objectives.

Structure, governance and management

The charity is a company limited by guarantee. It was incorporated on 19 May 1998 and registered as a charity on the same date. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

YEMIN CHARITABLE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A Henry

Mr H Neumann

Mr P Neumann

Trustees are recommended and appointed by the Board of Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute an amount not exceeding £10 in the event of a winding up.

The board of trustees administers the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Lopian Gross Barnett & Co be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

The trustees' report was approved by the Board of Trustees.

Mr A Henry

Trustee

17 December 2021

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Yemin Charitable Trust Limited for the purpose of company law, are responsible for preparing the Trustees' 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

YEMIN CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF YEMIN CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Yemin Charitable Trust Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 December 2020 and of its incoming resources and application of resources, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

YEMIN CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YEMIN CHARITABLE TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's 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 an auditor's report 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.

YEMIN CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YEMIN CHARITABLE TRUST LIMITED

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of laws and regulations that affect the entity, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations.
- Where considered necessary we enquired of the those charged with governance, reviewed correspondence and reviewed meeting minutes for evidence of non-compliance with relevant laws and regulations.
- We gained an understanding of the controls environment which includes the controls in place to prevent and detect fraud. We enquired of those charged with governance about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures to assess compliance with relevant laws and regulations.
- We enquired of those charged with governance about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

YEMIN CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YEMIN CHARITABLE TRUST LIMITED

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.

Nathaniel Davidson BA(Hons) ACA FCCA (Senior Statutory Auditor)

for and on behalf of Lopian Gross Barnett & Co

20 December 2021

Chartered Accountants

Statutory Auditor

1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	378,000	260,625
Investment income	4	851,398	912,245
Other (losses)/income	5	(107,489)	40,723
Total income		<u>1,121,909</u>	<u>1,213,593</u>
<u>Expenditure on:</u>			
Charitable activities	6	<u>395,165</u>	<u>453,771</u>
Other costs		38,339	21,868
Investment property expenses	10	<u>317,242</u>	<u>414,945</u>
Total resources expended		<u>750,746</u>	<u>890,584</u>
Net gains/(losses) on investments	11	<u>(2,748,597)</u>	<u>(576,517)</u>
Net movement in funds		<u>(2,377,434)</u>	<u>(253,508)</u>
Fund balances at 1 January 2020		<u>7,403,128</u>	<u>7,656,636</u>
Fund balances at 31 December 2020		<u><u>5,025,694</u></u>	<u><u>7,403,128</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

YEMIN CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investment property	13		7,216,844		10,194,809
Current assets					
Debtors	14	304,844		277,141	
Cash at bank and in hand		138,069		124,216	
		<u>442,913</u>		<u>401,357</u>	
Creditors: amounts falling due within one year	16	(651,662)		(801,652)	
Net current liabilities			(208,749)		(400,295)
Total assets less current liabilities			<u>7,008,095</u>		<u>9,794,514</u>
Creditors: amounts falling due after more than one year	17		(1,982,401)		(2,391,386)
Net assets			<u><u>5,025,694</u></u>		<u><u>7,403,128</u></u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		5,025,694		6,142,060	
Revaluation reserve		-		1,261,068	
		<u>5,025,694</u>		<u>7,403,128</u>	
		<u><u>5,025,694</u></u>		<u><u>7,403,128</u></u>	

The financial statements were approved by the Trustees on 17 December 2021

Mr A Henry
Trustee

Company Registration No. 03566659

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(693,229)		(793,285)
Investing activities					
Purchase of tangible fixed assets		-		(35,498)	
Proceeds on disposal of other investments		229,368		69,451	
Investment income		851,398		912,245	
Net cash generated from investing activities			1,080,766		946,198
Financing activities					
Repayment of bank loans		(373,684)		(472,556)	
Net cash used in financing activities			(373,684)		(472,556)
Net increase/(decrease) in cash and cash equivalents			13,853		(319,643)
Cash and cash equivalents at beginning of year			124,216		443,859
Cash and cash equivalents at end of year			138,069		124,216

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Yemin Charitable Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Cloister House, Riverside, New Bailey Street, Manchester, M3 5FS.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

The charity's funds are all unrestricted and available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Gift aid donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment property rental income is recognised at the fair value of the consideration received or receivable for in the normal course of business. The income consists of gross rental income on an accruals basis.

Under FRS102, reduced income derived from rent free periods is spread over the life of the lease.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Investment income is accounted for on an accruals basis.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

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 are allocated on the portion of the asset's use.

Charitable distributions represent donations paid to religious, educational and similar charities.

1.6 Tangible fixed assets

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Foreign exchange

Transactions denominated in foreign currencies are recorded at the average rate for the year.

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 included in net incoming resources.

1.11 Joint arrangement not an entity

The company is party with another charity company to joint arrangements that are not entities. Accordingly, these financial statements have been prepared in accordance with FRS 102 Section 15.

1.12 Investments in joint property

The company has interests in properties which are owned by a syndicate of similar participators. The investments are stated at net valuation of the participation in the syndicate plus accumulated surpluses less deficiencies and drawings.

1.13 Secured loans

Where a loan security is given on the basis that the lender has no recourse to any of the the charity's assets other than the property securing the loan and the lender has repossessed the relevant property on a loan default, the related loan obligation is written back as part of the proceeds realised on the repossession.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	378,000	260,625

4 Investment income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Rental income	851,366	897,359
Joint property investment income	-	14,644
Interest receivable	32	242
	851,398	912,245

5 Other (losses)/income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Foreign exchange (deficit)/ surplus	(107,489)	40,723

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Grants payable

	Total Unrestricted funds 2020 £	Total Unrestricted funds 2019 £
Grants to institutions		
Relief of poverty	131,550	112,045
Community projects	205,555	269,420
Yeshivas and seminaries	49,115	32,615
Schools	8,945	39,691
	<u>395,165</u>	<u>453,771</u>
		2020 £
Material grants to institutions:		
Beis Hillel Trust		25,500
Choimel Dalim		13,750
Kolyom Trust Ltd		12,550
Manchester Talmudical College and Theological Seminary		21,500
Kollel Shomrei Ha'chomos		56,000
TTYL-Satmar		10,200
Teshuvoh Tefilloh Tzedokoh		39,360
Zeirei Agudas Israel		11,000
Other grants to institutions not exceeding £10,000		205,305
		<u>395,165</u>

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7 Other costs

Other costs include charges by the auditors of £5,000 (2019- £5,000) for audit fees and 7,500 (2019- £13,790) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses during the year.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

10 Investment property expenses

	2020 £	2019 £
Investment property expenses	246,613	333,156
Investment property financing costs	70,629	81,789
	<u>317,242</u>	<u>414,945</u>

Investment property expenses comprised general property expenditure. The expenses include :- Agents commission £29,218 (2019-: 46,759), Insurance £32,604 (2019- : £34,923), Light and heat £55,021 (2019- : £57,406) and property repairs and maintenance £60,873 (2019- £120,559).

11 Net gains/(losses) on investments

	2020 £	2019 £
Revaluation of investments	(2,748,597)	(373,859)
(Loss)/ Gain on disposal of investments	-	(202,658)
	<u>(2,748,597)</u>	<u>(576,517)</u>

12 Taxation

The activities of Yemin Charitable Trust Limited are exempt from direct taxation under part 11 of the Corporation Tax Act 2010.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Investment property

	Land and buildings £	Joint property investments £	Total £
Cost or valuation			
At 1 January 2020	9,965,441	229,369	10,194,810
Disposals/Drawings	-	(229,369)	(229,369)
Revaluation	(2,748,597)	-	(2,748,597)
At 31 December 2020	7,216,844	-	7,216,844
Carrying amount			
At 31 December 2020	7,216,844	-	7,216,844
At 31 December 2019	9,965,441	229,368	10,194,809

The above investments are all held primarily to provide income and long term capital growth for the charity. The properties are stated at fair value as valued by the trustees who are experienced property investors.

At 31 December 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £8,704,375 (2019 - £8,704,375).

Certain freehold land and buildings have been pledged to secure bank borrowings of the charity.

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	39,018	70,038
Other debtors	244,549	181,707
Prepayments and accrued income	21,277	25,396
	304,844	277,141

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15 Loans and overdrafts

	2020 £	2019 £
Bank loans	2,393,198	2,766,882
Payable within one year	410,797	375,496
Payable after one year	1,982,401	2,391,386
Amounts included above which fall due after five years:		
Payable by instalments	803,584	882,542

The above bank loans are secured on certain of the charity's investment properties.

The bank loans include a loan from Kreissparkasse Koln. At the year end the loans sterling value was £996,757. The interest rate on the loan was 1.25% above libor and is repayable in 2030 by monthly instalments, with a total of repayable per annum of £283,784.

16 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	15	410,797	375,496
Other creditors		157,640	328,292
Accruals and deferred income		83,225	97,864
		651,662	801,652

17 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	15	1,982,401	2,391,386

18 Related party transactions

The company undertook transactions during the year and has balances outstanding at the year end as follows:-

	Balance b/fwd £	Amount (received)/paid in the year £	Rent for the year £	Balance due (to)/ from related party £
Rent payable				
Renee Worch Properties Limited	4,665	-	2,000	2,665

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

18 Related party transactions

(Continued)

Rent receivable

	£	£	£	£
Rosewalks Limited	2,583	(3,000)	1,000	583
Cheltenham Land Securities Limited	2,583	(3,000)	1,000	583
Lenrock Limited	2,583	(3,000)	1,000	583
Scotsland Limited	2,583	(3,000)	1,000	583
Y & M Estates	6,458	(7,500)	2,500	1,458
Brantwood Management Services	5,167	(6,000)	2,000	1,167
Allied Property Services	3,875	(4,500)	1,500	875
Birchpark Investments Limited	1,167	(3,000)	2,000	167
Lakeside Investments Limited	667	(3,000)	2,000	(333)
Topsfield Developments Limited	5,117	(8,100)	3,000	17
Consultancy 100 Limited	-	(5,000)	5,000	-
Brantlegh Waste Limited	-	(4,000)	4,000	-
Samsol Ltd	-	(6,000)	6,000	-
Newmore Management Ltd	-	(5,000)	5,000	-
Magen Ari Trust	-	(5,500)	5,500	-

Loan accounts - Creditors

	£	£	£
Rowanrise Limited	(122,700)	122,700	-
Cheltenham Land Securities Ltd	-	(15,000)	(15,000)
Scotsland Limited	-	(36,418)	(36,418)

The above loans are interest free and repayable on demand.

Property management

	Commission payable	Balance b/fwd	Movement in the year	Balance c/fwd
	£	£	£	£
Rowanrise Limited	5,151	(119,448)	107,148	(12,300)
Broompark Management Limited	-	(49,766)	32,800	(16,966)

Donations received

	2020	2019
	£	£
Donations received	349,200	236,600

The trustees A Henry, H Neumann and P Neumann have material interests as shareholders of Rowanrise Limited, Scotsland Limited and Renee Worch Properties Limited.

A Henry and H Neumann have material interests as shareholders of Rosewalks Limited, Cheltenham Land Securities Limited and Lenrock Limited.

A Henry and H Neumann have material interests as partners in Y & M Estates and Brantwood Management Services and H Neumann is also a partner in Allied Property Services.

The trustees A Henry, H Neumann and P Neumann are directors of and have interests as shareholders in Birchpark Investments Limited.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Related party transactions

(Continued)

The other entities are controlled by members of the close family of the trustees A Henry, P Neumann and H Neumann.

19 Events after the reporting date

The Trustees have closely monitored the Government guidance in response to the Covid-19 Pandemic and have implemented measures in line with Governmental guidelines. The Trustees have assessed the impact of Covid-19 on the charity and conclude that there are no items resulting from the Covid-19 Pandemic which require disclosure at the balance sheet date.

20 IMPACT OF COVID 19

The Trustees have closely monitored the Government guidance in response to the Covid-19 Pandemic and have implemented measures in line with Governmental guidelines. The Trustees have assessed the impact of Covid-19 on the charity and conclude that there are no items resulting from the Covid-19 Pandemic which require disclosure at the balance sheet date.

21 IMPACT OF BREXIT

The Trustees have considered the impact of Brexit and don't believe there are any items relating to Brexit which require disclosure at the balance sheet date.

22 Analysis of changes in net (debt)/funds

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	124,216	13,853	138,069
Loans falling due within one year	(375,496)	(35,301)	(410,797)
Loans falling due after more than one year	(2,391,386)	408,985	(1,982,401)
	<u>(2,642,666)</u>	<u>387,537</u>	<u>(2,255,129)</u>

23 Cash generated from operations

	2020 £	2019 £
Deficit for the year	(2,377,434)	(253,508)
Adjustments for:		
Investment income recognised in statement of financial activities	(851,398)	(912,245)
(Gain)/loss on disposal of investments	-	202,658
Fair value (gains) and losses on investments	2,748,597	373,859
Movements in working capital:		
(Increase)/decrease in debtors	(27,703)	120,341
(Decrease) in creditors	(185,291)	(324,390)
Cash absorbed by operations	<u>(693,229)</u>	<u>(793,285)</u>