

Charity registration number 1072479

Company registration number 03566659 (England and Wales)

YEMIN CHARITABLE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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
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 2021

The trustees present their report and accounts for the year ended 31 December 2021.

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 2019)

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 £7,028,974 and generated income of £831,974.

YEMIN CHARITABLE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

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 £854,173 including a foreign exchange profit of £62,622. This left a surplus of £836,188 after costs of £17,985. The charity's property investment values decreased by £164,379.

The charity distributed £510,265 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 increase in reserves of £161,544.

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.

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

YEMIN CHARITABLE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees are recommended and appointed by the Board of Trustees.

None of the trustees have 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 have 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 auditor is aware of such information.

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

Mr A Henry
Trustee

24 February 2023

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 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 2021 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

YEMIN CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YEMIN CHARITABLE TRUST LIMITED

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, 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 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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nathaniel Davidson BA(Hons) ACA (Senior Statutory Auditor)
for and on behalf of Lopian Gross Barnett & Co

24 February 2023

Chartered Accountants
Statutory Auditor

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

Lopian Gross Barnett & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	298,718	378,000
Investment income	4	831,974	851,398
Other (losses)/income	5	62,622	(107,489)
Total income		<u>1,193,314</u>	<u>1,121,909</u>
<u>Expenditure on:</u>			
Charitable activities	6	510,265	395,165
Other costs		17,985	38,339
Investment property expenses	10	339,141	317,243
Total expenditure		<u>867,391</u>	<u>750,747</u>
Net gains/(losses) on investments	11	(164,379)	(2,748,597)
Net movement in funds		161,544	(2,377,435)
Fund balances at 1 January 2021		5,025,694	7,403,129
Fund balances at 31 December 2021		<u><u>5,187,238</u></u>	<u><u>5,025,694</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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment property	13		7,028,974		7,216,844
Current assets					
Debtors	14	115,354		304,844	
Cash at bank and in hand		166,850		138,069	
			282,204		442,913
Creditors: amounts falling due within one year	16	(551,132)		(651,662)	
Net current liabilities			(268,928)		(208,749)
Total assets less current liabilities			6,760,046		7,008,095
Creditors: amounts falling due after more than one year	17		(1,572,808)		(1,982,401)
Net assets			5,187,238		5,025,694
Income funds					
Unrestricted funds			5,187,238		5,025,694
			5,187,238		5,025,694

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 24 February 2023

Mr A Henry
Trustee

Company Registration No. 03566659

YEMIN CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(373,221)		(693,230)
Investing activities					
Proceeds on disposal of investment property		23,491		229,369	
Investment income		831,974		851,398	
Net cash generated from investing activities			855,465		1,080,767
Financing activities					
Repayment of bank loans		(453,463)		(373,684)	
Net cash used in financing activities			(453,463)		(373,684)
Net increase in cash and cash equivalents			28,781		13,853
Cash and cash equivalents at beginning of year			138,069		124,216
Cash and cash equivalents at end of year			166,850		138,069

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 financial statements have been prepared in accordance with the charity's articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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 2021

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 at 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 2021

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 2021

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	298,718	378,000

4 Investment income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	831,971	851,366
Interest receivable	3	32
	831,974	851,398

5 Other (losses)/income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Foreign exchange (deficit)/ surplus	62,622	(107,489)

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Grants payable

	Total Unrestricted funds 2021 £	Total Unrestricted funds 2020 £
Grants to institutions		
Relief of poverty	104,440	112,045
Community projects	291,390	269,420
Yeshivas and seminaries	80,825	32,615
Schools	33,610	39,691
	<u>510,265</u>	<u>453,771</u>
		2021 £
Grants to institutions (177 grants):		
Beis Hillel Trust		42,550
British Aguda		18,000
Care All Ltd		20,000
Chomel Dalim		18,950
KDH Satmar Ltd		10,000
Kollel Shomrei Hachomois		43,000
Kolyom Trust Ltd		31,500
Manchester Talmudical College And Theological Seminary		24,875
Min Hameitzar		15,000
Shomrei Ha'chomos		15,500
The Beenstock Home		20,000
Three Pillars		16,460
Teshuvoh Tefilloh Tzedokoh		18,360
Yesmach Lev Trust		15,000
Other grants to institutions not exceeding £10,000		201,070
		<u>510,265</u>

7 Other costs

Other costs include charges by the auditors of £5,000 (2020- £5,000) for audit fees and 10,000 (2020- £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 2021

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

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

10 Investment property expenses

	2021 £	2020 £
Investment property expenses	281,389	246,614
Investment property financing costs	57,752	70,629
	<u>339,141</u>	<u>317,243</u>

Investment property expenses comprised general property expenditure. The expenses include :- Agents commission £58,327 (2020-: 29,218), Insurance £21,476 (2020- : £32,604), Light and heat £56,709 (2020- : £55,021) and property repairs and maintenance £39,498 (2020- £60,873).

11 Net gains/(losses) on investments

	2021 £	2020 £
Revaluation of investments	(161,103)	(2,748,597)
Gain/(loss) on sale of investment properties	(3,276)	-
	<u>(164,379)</u>	<u>(2,748,597)</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 2021

13 Investment property

	Land and buildings £
Cost or valuation	
At 1 January 2021	7,216,844
Disposals/Drawings	(26,767)
Revaluation	(161,103)
	<hr/>
At 31 December 2021	7,028,974
	<hr/>
Carrying amount	
At 31 December 2021	7,028,974
	<hr/>
At 31 December 2020	7,216,844
	<hr/>

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 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £8,677,608 (2020 - £8,704,375).

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

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	41,929	39,018
Other debtors	54,814	244,549
Prepayments and accrued income	18,611	21,277
	<hr/>	<hr/>
	115,354	304,844
	<hr/>	<hr/>

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Loans and overdrafts

	2021 £	2020 £
Bank loans	1,939,735	2,393,198
Payable within one year	366,927	410,797
Payable after one year	1,572,808	1,982,401
Amounts included above which fall due after five years:		
Payable by instalments	768,365	803,584

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 £650,374. 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 £278,828.

16 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	15	366,927	410,797
Other creditors		110,712	157,640
Accruals and deferred income		73,493	83,225
		551,132	651,662

17 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	15	1,572,808	1,982,401

18 Related party transactions

The charity was charged rent of £2,000 by Renee Worch Properties Limited, an entity controlled and managed by the trustees.

The charity received rent of £40,357 from various entities controlled and managed by the trustees and their close family members.

The charity received donations from related entities and family members during the year amounting to £259,850.

YEMIN CHARITABLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

19 Analysis of changes in net (debt)/funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	138,069	28,781	166,850
Loans falling due within one year	(410,797)	43,870	(366,927)
Loans falling due after more than one year	(1,982,401)	409,593	(1,572,808)
	<u>(2,255,129)</u>	<u>482,244</u>	<u>(1,772,885)</u>

20 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	161,544	(2,377,435)
Adjustments for:		
Investment income recognised in statement of financial activities	(831,974)	(851,398)
Loss on disposal of investment property	3,276	-
Fair value (gains) and losses on investments	161,103	2,748,597
Movements in working capital:		
Decrease/(increase) in debtors	189,490	(27,703)
(Decrease) in creditors	(56,660)	(185,291)
Cash absorbed by operations	<u>(373,221)</u>	<u>(693,230)</u>