

**Memhay Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2021**

**HAFFNER HOFF LTD**

Accountants & statutory auditor  
2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 March 2021**

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# Memhay Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

#### Year ended 31 March 2021

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The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

#### Reference and administrative details

<b>Registered charity name</b>	Memhay Limited
<b>Charity registration number</b>	1073593
<b>Company registration number</b>	02387386
<b>Principal office and registered office</b>	2nd Floor Parkgates Bury New Road Prestwich Manchester M25 0TL

#### The trustees

C S Lebrecht  
S Lebrecht  
M Y Lebrecht

#### Auditor

Haffner Hoff Ltd  
Accountants & statutory auditor  
2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2021**

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#### **Structure, governance and management**

Memhay Limited is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated 22 May 1989 as a company and the company number is 02387386. It was registered as a charity on 28 January 1999 with a charity number 1073593. The charity is run by the trustees who all act in a honorary capacity. A new trustee would receive copies of the previous years' Annual Report and Accounts and a copy of the Charity Commission leaflet 'The Essential Trustee : What you need to know.

#### **Group structure and Relationships**

The charity has the following wholly owned non-charitable subsidiary : Broomgreen Limited – a property investment company.

#### **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Other risks are associated with the trading subsidiaries and are operational in terms of losing market share and being unable to pay liabilities as they fall due.

The subsidiaries monitor cash flow and reputation regularly to ensure they maintain their market position so that cash flow is not an issue.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2021**

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#### **Objectives and activities**

The charity has established its grant making policy to achieve its objects for the public benefit. The charity utilises funds received from the subsidiaries to pay out grants that are appropriate for the charities objects.

The application of the funds by way of grants is to either institutions or individuals and is mostly to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each objects. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year. Additionally, the trading subsidiary furthers the objects of the charity by employing staff as mentioned above.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

#### **Investment Policy**

The trustees have considered the most appropriate policy for investing funds and have invested in property. These investments are kept under constant review. The trustees are satisfied that property investment is the optimum method of raising funds in the current market, and this has been well borne out over time, with a highly satisfactory return on investments.

These investments have yielded average returns of approximately 13.7% in the year which is a very favourable rate when compared to average returns on property investments in the current market. For further detail see below in 'Achievement and performance'.

#### **Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

#### **Achievements and performance**

During the year under review the charity received income of £587,044 including investment income of £505,439. There was a net income for the year of £33,093.

During the year £497,212 was distributed to other charities in accordance with this charity's objectives.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2021**

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#### **Financial review**

At 31 March 2021 the group had free reserves of £86,197 (2020 : £231,374 (deficit)). Although overall there are net liabilities of £276,198 there are no material uncertainties about the charity's ability to continue. The £4m of loan creditors are from connected parties who have provided written assurances that they will not call in their loans to the detriment of the cash flow of the charity. Therefore, the trustees consider the charity not to be financially exposed.

The company and its group have adequate resources to continue distributing funds to other charities in accordance with its objectives.

#### **Reserves Policy**

It is the policy of the charity to hold reserves sufficient to maintain grants at previous years levels. As the charity is largely reliant on donations received, the trustees feel it would be prudent to maintain reserves at such a level that would enable the charity to take advantage of investment opportunities arising so as to generate its own income to meet this aim. posed due to guarantees from the loan creditors which are connected parties.

#### **Plans for future periods**

It is anticipated that the charity will continue to support charitable purposes and institutions in accordance with its objects.

#### **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
  - make judgments and accounting 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;
  - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
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# **Memhay Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2021**

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The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2021**

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#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 5 April 2022 and signed on behalf of the board of trustees by:

C S Lebrecht  
Trustee



# **Memhay Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Memhay Limited**

**Year ended 31 March 2021**

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#### **Opinion**

We have audited the financial statements of Memhay Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, 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 charity's affairs as at 31 March 2021 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;
- 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.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Memhay Limited** *(continued)*

**Year ended 31 March 2021**

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#### **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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **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 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.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Memhay Limited** *(continued)*

**Year ended 31 March 2021**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 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 charity or to cease operations, or have no realistic alternative but to do so.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Memhay Limited** *(continued)*

**Year ended 31 March 2021**

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#### **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.

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:

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:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to including:-

Charity Act 2011 - as this entity is a charity;

FRS 102 reporting framework.

The following particular considerations in respect of fraud were assessed. We assessed the risks of material misstatement in respect of fraud as follows:

Reviewed unusual or large transactions;  
Complex transactions if applicable;  
Analytical procedures;  
One off transactions.

We made fraud enquiries of during the audit from:-

# Memhay Limited

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of Memhay Limited *(continued)*

#### Year ended 31 March 2021

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Management;

those charged with governance;

other analytical procedures to identify any unusual or unexpected relationships;

the audit team discussions to identify particular areas to misstatement or fraud;

the audit team attempted to identify any fraud risk factors in its discussion of related party relationships and transactions (ISA (UK) 550);

legal counsel as applicable;

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Reviewing the entity's policies and procedures for compliance with those laws and regulations based on our knowledge of the client and the regulations.

Follow up of all suspected non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud that will be fully documented.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

# **Memhay Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Memhay Limited** *(continued)*

**Year ended 31 March 2021**

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Aryeh Haffner ACA (Senior Statutory Auditor)

For and on behalf of  
Haffner Hoff Ltd  
Accountants & statutory auditor  
2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

5 April 2022

# Memhay Limited

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
<b>Income and endowments</b>				
Donations and legacies	5	81,605	81,605	310,839
Investment income	6	505,439	505,439	398,864
<b>Total income</b>		<u>587,044</u>	<u>587,044</u>	<u>709,703</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Investment management costs	7	48,477	48,477	72,511
Expenditure on charitable activities	8,9	505,474	505,474	703,166
<b>Total expenditure</b>		<u>553,951</u>	<u>553,951</u>	<u>775,677</u>
<b>Net income/(expenditure) and net movement in funds</b>		<u>33,093</u>	<u>33,093</u>	<u>(65,974)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		(309,291)	(309,291)	(243,317)
<b>Total funds carried forward</b>		<u>(276,198)</u>	<u>(276,198)</u>	<u>(309,291)</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 16 to 24 form part of these financial statements.

# Memhay Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	14	3,681,629	3,806,256
<b>Current assets</b>			
Debtors	16	70,000	70,000
Cash at bank and in hand		64,197	114,281
		<u>134,197</u>	<u>184,281</u>
<b>Creditors: amounts falling due within one year</b>	17	48,000	415,655
<b>Net current assets</b>		<u>86,197</u>	<u>(231,374)</u>
<b>Total assets less current liabilities</b>		3,767,826	3,574,882
<b>Creditors: amounts falling due after more than one year</b>	18	(4,044,024)	(3,884,173)
<b>Net liabilities</b>		<u>(276,198)</u>	<u>(309,291)</u>
<b>Funds of the charity</b>			
Unrestricted funds		(276,198)	(309,291)
<b>Total charity funds</b>	19	<u>(276,198)</u>	<u>(309,291)</u>

These financial statements were approved by the board of trustees and authorised for issue on 5 April 2022, and are signed on behalf of the board by:

C S Lebrecht  
Trustee

The notes on pages 16 to 24 form part of these financial statements.



# Memhay Limited

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	33,093	(65,974)
<i>Adjustments for:</i>		
Dividends, interest and rents from investments	(505,401)	(398,769)
Other interest receivable and similar income	(38)	(95)
Accrued income	(3,600)	(1,200)
<i>Changes in:</i>		
Trade and other debtors	—	43,750
Trade and other creditors	(166,006)	(110,639)
Cash generated from operations	(641,952)	(532,927)
Interest received	38	95
Net cash used in operating activities	<u>(641,914)</u>	<u>(532,832)</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	505,401	398,769
Purchases of other investments	(440,971)	(347,135)
Movements of other investments	565,599	307,090
Net cash from investing activities	<u>630,029</u>	<u>358,724</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(27,390)	(51,123)
Proceeds from loans from group undertakings	(10,808)	29,999
Net cash used in financing activities	<u>(38,198)</u>	<u>(21,124)</u>
<b>Net decrease in cash and cash equivalents</b>	(50,083)	(195,232)
<b>Cash and cash equivalents at beginning of year</b>	114,281	309,513
<b>Cash and cash equivalents at end of year</b>	<u>64,198</u>	<u>(114,281)</u>

The notes on pages 16 to 24 form part of these financial statements.

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2021

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2nd Floor Parkgates, Bury New Road, Prestwich, Manchester, M25 0TL.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

We refer the reader to the note on the trustee's report (pg 4) with regard to the connected loans which will not be called in to the detriment of the cash flow of the charity.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported at the year end.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. Accounting policies *(continued)*

##### Incoming resources *(continued)*

- income from donations, grants and rents is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

##### Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. Accounting policies *(continued)*

##### Investment property *(continued)*

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

##### Investments in joint property syndicates

This represents capital introduced by the company into the syndicates plus accrued surpluses less deficiencies but without revaluing the syndicate properties.

Some of the syndicates in which the company is a participator have borrowings which are secured on the syndicate properties.

The company accounts for its syndicate investments under the 'equity accounting' basis and thus the company's share of such borrowings are not included in these accounts.

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 4. Limited by guarantee

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
<b>Donations</b>				
Donations	81,605	81,605	310,839	310,839

#### 6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	505,401	505,401	398,769	398,769
Bank interest receivable	38	38	95	95
	<u>505,439</u>	<u>505,439</u>	<u>398,864</u>	<u>398,864</u>

#### 7. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rates	4,613	4,613	8,876	8,876
Property repairs and maintenance charges	—	—	3,421	3,421
Insurance	14,155	14,155	29,312	29,312
Professional fees	8,091	8,091	3,420	3,420
Loan interest	21,618	21,618	27,482	27,482
	<u>48,477</u>	<u>48,477</u>	<u>72,511</u>	<u>72,511</u>

#### 8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable activities	497,242	497,242	691,564	691,564
Support costs	8,232	8,232	11,602	11,602
	<u>505,474</u>	<u>505,474</u>	<u>703,166</u>	<u>703,166</u>

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 9. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	<b>Total funds 2021 £</b>	Total fund 2020 £
Charitable activities	497,242	–	497,242	691,564
Governance costs	–	8,232	8,232	11,602
	<u>497,242</u>	<u>8,232</u>	<u>505,474</u>	<u>703,166</u>

#### 10. Analysis of grants

	<b>2021 £</b>	<b>2020 £</b>
<b>Grants to institutions</b>		
A B C Trust	–	16,000
Amud Hatzdoko Trust	–	18,000
Asser Bishvil Foundation	28,000	65,000
B C G C T	43,000	40,000
Choimel Dalim	12,000	13,000
Friends Of Toldos Avrohom Yitzchok	104,000	171,000
Grants £10,000 and under	53,092	137,844
MH Trust	23,150	19,000
Mikve Trust Ltd	–	75,000
Revach Vehatzula	–	23,500
T T T	156,500	62,220
Tov Vochessed	42,500	21,500
U T A	23,000	29,500
Friends of Beis Chinuch Lebonos	12,000	–
	<u>497,242</u>	<u>691,564</u>
Total grants	<u>497,242</u>	<u>691,564</u>

The above grants were made to institutions and went towards the following purposes; the relief of poverty, relief of those in need by reason of ill health or disability, the advancement of Jewish religion and the advancement of Jewish religious education.

#### 11. Auditors remuneration

	<b>2021 £</b>	<b>2020 £</b>
Fees payable for the audit of the financial statements	<u>4,500</u>	<u>5,000</u>

#### 12. Staff costs

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

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#### 13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

#### 14. Investments

	Investment properties £	Shares in group undertakings £	Other investments £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	1,350,042	1	2,456,214	3,806,257
Additions	—	—	440,971	440,971
Fair value movements	—	—	108,000	108,000
Other movements	—	—	(673,599)	(673,599)
<b>At 31 March 2021</b>	<u>1,350,042</u>	<u>1</u>	<u>2,331,586</u>	<u>3,681,629</u>
<b>Impairment</b>				
At 1 April 2020 and 31 March 2021		—	—	—
<b>Carrying amount</b>				
At 31 March 2021	<u>1,350,042</u>	<u>1</u>	<u>2,331,586</u>	<u>3,681,629</u>
At 31 March 2020	<u>1,350,042</u>	<u>1</u>	<u>2,456,214</u>	<u>3,806,257</u>

All investments shown above are held at valuation.

#### Investment properties

The investment properties are stated at fair value as per the trustees valuation at the year end.

#### Other Investments

Other Investments are joint property syndicates. This is comprised of capital introduced by the charity into the syndicates plus accrued surpluses less deficiencies but without revaluing the syndicate properties.

#### Unlisted Investments

The unlisted investments are stated at fair value at the year end.

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

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##### 15. Investment entities

###### Subsidiaries and other investments

	Registered office	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>			
Broomgreen	2nd Floor Parkgates Bury New Road Prestwich Manchester M25 0TL	Ordinary	100

The results for subsidiaries and other undertakings are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2021	2020	2021	2020
	£	£	£	£
<b>Subsidiary undertakings</b>				
Broomgreen	(291,767)	(290,908)	(859)	(1,282)

##### 16. Debtors

	2021	2020
	£	£
Other debtors	70,000	70,000

##### 17. Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	—	29,999
Accruals and deferred income	18,000	21,600
Other creditors	30,000	364,056
	48,000	415,655

##### 18. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	745,909	773,299
Amounts owed to group undertakings	19,191	—
Other creditors	3,278,924	3,110,874
	4,044,024	3,884,173



# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

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##### 19. Analysis of charitable funds

###### Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 21 £
General funds	(309,291)	587,044	(553,951)	(276,198)

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 20 £
General funds	(243,317)	709,703	(775,677)	(309,291)

##### 20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	3,681,629	3,681,629
Current assets	134,197	134,197
Creditors less than 1 year	(48,000)	(48,000)
Creditors greater than 1 year	(4,044,024)	(4,044,024)
<b>Net liabilities</b>	<b>(276,198)</b>	<b>(276,198)</b>

	Unrestricted Funds £	Total Funds 2020 £
Investments	3,806,256	3,806,256
Current assets	184,281	184,281
Creditors less than 1 year	(415,655)	(415,655)
Creditors greater than 1 year	(3,884,173)	(3,884,173)
<b>Net liabilities</b>	<b>(309,291)</b>	<b>(309,291)</b>

##### 21. Analysis of changes in net debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	114,281	(50,084)	64,197
Debt due within one year	(29,999)	29,999	–
Debt due after one year	(773,299)	8,199	(765,100)
	<u>(689,017)</u>	<u>(11,886)</u>	<u>(700,903)</u>

# Memhay Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

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#### 22. Related parties

During the year aggregate donations totalling £30,000 were received by the charity from trustees and related parties.

Included in other creditors are amounts due to the following charities/companies whose directors/trustees are also trustees of this charity or closely related to trustees of this charity.

	2021 £	2020 £
CSBS Trust	30,000	—

Included in other creditors falling due after more than one year are amounts due to the following companies whose directors are also trustees of this charity or closely related to trustees of this charity.

	2021 £	2020 £
Ventnor Limited	556,978	556,978
Cartleach Limited	193,500	193,500
Nailsbourne Limited	1,165,000	1,090,000
Sevode Limited	370,396	540,396
Ventnor Management Limited	330,000	315,000
Shulem Ltd	40,000	—
Quadrex Ltd	10,000	—
Medden Estate Co	10,000	—

Also included in other creditors is £370,396 (2020 : £540,396) owing to Mr B J Lebrecht the husband of Mrs S Lebrecht.

All the above loans are interest free and repayable on demand.