

CHARITY NUMBER 1137147

# **THE SENECA TRUST**

UNAUDITED TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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**REFERENCE AND ADMINISTRATION DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS**

TRUSTEES

Adam Sweidan  
Natalie Wade  
Kevin Gundle  
Deborah Gundle  
Barrie Edwards

CHARITY REGISTER NUMBER

1137147

PRINCIPAL OFFICE

Ixworth House, 37 Ixworth Place, London, SW3 3QH

INDEPENDENT EXAMINER

Adam Dunbavand (ACA), Ixworth House, 37 Ixworth Place, London, SW3 3QH

BANKERS

Nedbank Private Wealth, Seventh Floor, 12 Arthur Street, London, EC4R 9AB.

SOLICITORS

Philip Ross Solicitors, 34 Queen Anne Street, London, W1G 8HE

## **TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees submit their report and independently examined financial statements of The Seneca Trust (the "Charity") for the year ended 31 December 2020. These have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charity's trust deed and applicable law.

### **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Charity was established by a Declaration of Trust dated 2 July 2010 as amended on 6 June 2011 to change the Charity's name and 17 September 2013 and 11 August 2017 which updated the Charity's objectives to those set out below. The Charity is an unincorporated charitable trust governed by the laws of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the Trustees have full discretion of their use.

The management of the Charity is conducted solely by the Trustees. The Trustee's investment powers are unrestricted.

The number of Trustees shall be a minimum of three at any one time.

Apart from the original trustees, every Trustee must be appointed for a term of one year by resolution.

### **TRUSTEE'S RESPONSIBILITY STATEMENT**

The law applicable to charities in England and Wales requires the Trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

In accordance with trust law, as the Charity Trustees, we certify that:

- So far as we are aware, there is no relevant information of which the Charity's Independent Examiner is unaware; and
- As the Charity Trustees we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the Charity's Independent Examiner is aware of that information.

### **INDUCTION AND TRAINING**

Should new Trustees be appointed, a formal induction process will be conducted by the Trustees. Other Trustee training is undertaken as and when appropriate. All Trustees are aware of their legal duties and obligations in respect of the management of the Charity, including in relation to the protection of the Charity's assets.

## **TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)**

### **INTERNAL CONTROLS**

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems and internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the detection and prevention of fraud.

The systems of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The Charity's objectives and principal activities are as follows:

To relieve poverty and enrich the lives of people in need by promoting health, welfare and the enhancement of education.

To carry on for the benefit of the community the pursuit of providing housing (by construction or conversion) and any associated amenities for persons in necessitous circumstances.

The relief of sickness and financial hardship of displaced people and refugees by providing advice on nutrition, sanitation, health and psycho-social support and any other necessary measures.

In particular but not exclusively, The Charity will accomplish these objectives by providing grants to charities or other organisations or individuals in the UK or internationally identified by the Trustees at their discretion.

The trustees may use the income and the capital of the charitable trust in promoting the objects.

### **GRANT MAKING POLICY**

The Trust Deed states that the Trustees shall at their discretion pay or apply the income and capital of the Charity in promoting its objects as detailed below.

The Trustees grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations.

### **STATEMENT OF PUBLIC BENEFIT**

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. The Trustees consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

### **CHARITABLE ACTIVITIES**

Charitable activities for the year totalled £413,224 (2019 - £172,403) which comprise charitable donations paid. The trustees made 13 donations (2019 - 9 donations) totalling £413,224 (2019 - £172,403) during the year. All grants were paid in line with the policies set out above.

The accounting treatment in respect of grants is in line with that set out in the applicable statement of recommended practice.

## **TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)**

### **FINANCIAL REVIEW**

#### *Incoming resources and resources expended*

Incoming resources totalled £544,299 (2019 - £399,778). The Charity's income was received from voluntary donations, associated Gift Aid reclaims (where applicable) and rental income.

A freehold property, 56 Fairfield Crescent, Edgware, Middlesex, HA8 9AH was purchased during the year to 31 December 2013, at a total cost including acquisition costs, loan interest and renovation work of £1,031,825. During the years to 31 December 2014 and 31 December 2015 further refurbishment works were carried out at an additional cost of £41,895 in 2014, and £15,016 in 2015. These were also added to the cost of the property. No further improvement works were carried out subsequently.

The property is leased to Dimensions (UK) Limited, a specialist provider of a wide range of services for people with learning difficulties and people who experience autism, on a 25 year lease.

#### *Reserves policy*

The Trustees have examined the Charity's requirements for resources in light of the main risks and have concluded, that due to the balance of funds held, the Trustees do not require a specific reserves policy. The Trustees will keep this under constant review. The net assets of the Charity are regarded as free reserves.

Total charity reserves (unrestricted) at 31 December 2020 were £1,778,003 (2019 - £1,618,627).

#### *Risk management*

A risk assessment has been undertaken which comprises of:

- an annual review of the risks the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

### **PLANS FOR THE FUTURE**

The Trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed above in the Trustee's report.

This report was approved by the Trustees on 17 June 2021 and signed on their behalf by:

Kevin Gundle

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SENECA TRUST (the "Charity")**

I report to the Trustees on my examination of the accounts of the Charity for the year ended 31 December 2020.

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

### **RESPONSIBILITIES AND BASIS OF REPORT**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **INDEPENDENT EXAMINER'S STATEMENT**

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Adam Dunbavand ACA

1 September 2021

Ixworth House, 37 Ixworth Place, London, SW3 3QH

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>INCOME</b>			
Donations and legacies	Note 2	479,290	338,013
Other income		65,009	61,765
<b>TOTAL INCOME</b>		<b>544,299</b>	<b>399,778</b>
<b>EXPENDITURE</b>			
Charitable activities	3	413,224	172,403
Raising funds	4	19,848	23,901
<b>TOTAL EXPENDITURE</b>		<b>433,072</b>	<b>196,304</b>
<b>NET INCOME BEFORE MOVEMENT ON INVESTMENTS</b>		<b>111,227</b>	<b>203,474</b>
Net gain on investments	7	48,149	19,908
<b>NET MOVEMENT IN FUNDS</b>		<b>159,376</b>	<b>223,382</b>
<b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward		1,618,627	1,395,245
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,778,003</b>	<b>1,618,627</b>

All of the Charity's activities were unrestricted during the year and during the prior year.

*The notes on pages 8 to 12 form part of these financial statements*



**BALANCE SHEET AS AT 31 DECEMBER 2020**

		<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
<b>FIXED ASSETS</b>			
	Note		
Tangible assets	6	1,088,736	1,088,736
Investments	7	568,704	320,554
<b>TOTAL FIXED ASSETS</b>		<u>1,657,440</u>	<u>1,409,290</u>
<b>CURRENT ASSETS</b>			
Cash at bank		107,292	203,738
Debtors	8	25,000	13,484
<b>CREDITORS</b>			
Creditors falling due within one year	9	(11,729)	(7,885)
<b>NET CURRENT ASSETS</b>		<u>120,563</u>	<u>209,337</u>
<b>NET ASSETS</b>		<u>1,778,003</u>	<u>1,618,627</u>
<b>CHARITY FUNDS</b>			
Unrestricted funds	10	1,778,003	1,618,627
<b>TOTAL FUNDS</b>		<u>1,778,003</u>	<u>1,618,627</u>

The financial statements were approved by the Trustees on 17 June 2021 and signed on their behalf by:

Kevin Gundle

*The notes on pages 8 to 12 form part of these financial statements*

## 1. ACCOUNTING POLICIES

### BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Seneca Trust (the "Charity") constitutes a public benefit entity as defined by FRS 102.

The financial statements are presenting in UK sterling, the functional currency of the Charity.

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the level of income and expenditure is sufficient with an income level of reserves for the Charity to be able to continue as a going concern.

### INCOME

All income is recognised once the Charity has an entitlement to that income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid is recognised once all of the requirements in relation to such a claim have been met and evidenced.

### EXPENDITURE

All expenditure is recognised on an accruals basis when there is a legal or constructive obligation committing the Trustees to that expenditure.

Expenditure related to 'Charitable activities' comprises grants and donations made during the year. They are included in the Statement of Financial Activities when a firm commitment is conveyed to the recipient. The Trustees have made the decision not to discount grants committed for future periods. Governance costs, if any, included within 'Charitable activities' include costs associated with meeting the constitutional and statutory obligations of the Charity, as opposed to the management functions inherent in raising funds.

Expenditure related to 'Raising funds' comprises the cost of generating funds and governance costs that have been apportioned to generating funds.

### FOREIGN CURRENCY TRANSACTIONS

Assets and liabilities denominated in foreign currencies are translated into UK sterling at the rates prevailing at the Balance Sheet date. Income and expenditure is translated at the rate of exchange prevailing at the date of the transaction. Gains and losses arising from translation are included in the Statement of Financial Activities.

### STATUS OF FUNDS

The entire resources of the Charity are unrestricted. The Trustees have complete discretion over the use of funds in the pursuit of the Charity's objectives.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

The Charity's property is held as a mixed motive investment for its long-term investment and financial return purposes as well as furtherance of the Charity's objectives. The property is accounted for in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS102 SORP 2015) as a social investment and is therefore shown at cost. Provision is made for impairment losses if and when these arise.

**1. ACCOUNTING POLICIES (continued)****INVESTMENTS**

'Investments' are a form of financial instrument that are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. If fair value cannot be measured reliably, subsequent measurement is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net movement on investments' in the Statement of Financial Activities.

**CASH AT BANK**

Cash at bank comprises cash held in current accounts that is immediately available.

**FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2. DONATIONS AND LEGACIES**

'Donations and legacies' received during the year was made up of donations and associated Gift Aid as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>DONATIONS AND LEGACIES</b>		
Donations	466,790	325,513
Gift Aid	12,500	12,500
Total donations and legacies	<u>479,290</u>	<u>338,013</u>

**3. CHARITABLE ACTIVITIES**

'Charitable activities' during the year were made up of the following:

		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>GRANTS MADE</b>			
<b>Donee</b>	<b>Registered charity number</b>		
Hope and Homes for Children	1089490	199,205	112,750
One to One	1086159	45,000	5,000
ARK	1095322	40,000	-
Kathlehong Children's Playground	n/a	32,929	-
World Jewish Relief	290767	20,000	-
JCORE	1132666	20,000	-
Jweb	271519	13,486	2,974
Kisharon	271519	10,000	15,246
Lebanese Food Bank	n/a	9,754	-
The International Rescue Committee	1065972	8,000	-
Prism The Gift Fund	1099682	8,000	-
RoundHouse	1071487	4,350	4,350
Bold Tendencies	1175722	2,500	-
Andrew Warpole	n/a	-	2,875
Tutoring To Thrive	1178099	-	10,708
Daal Bhaat Paani	n/a	-	12,500
JCoSS	1107705	-	6,000
TOTAL CHARITABLE ACTIVITIES		<u>413,224</u>	<u>172,403</u>

#### 4. RAISING FUNDS

The cost associated with 'Raising funds' during the year was as follows:

	2020 £	2019 £
<b>COST OF GENERATING FUNDS</b>		
Professional fees	7,560	13,679
Utilities	6,426	4,539
Foreign exchange	3,275	3,683
Insurance	1,656	1,579
Bank charges	732	246
Repairs and maintenance	175	175
Sundry expenses	24	-
<b>TOTAL COST OF RAISING FUNDS</b>	19,848	23,901

#### 5. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner did not receive, and will not receive, any remuneration for the year (2019: £nil).

#### 6. TANGIBLE ASSETS

Tangible assets consist of a freehold property, 56 Fairfield Crescent, Edgware, Middlesex, HA8 9AH that was purchased during 2013 at a total cost including acquisition costs, loan interest and renovation work of £1,030,825. During 2014 and 2015 further refurbishment works were carried out at an additional cost of £41,895 and £15,016 respectively. These further refurbishment works were added to the cost of the property. No further improvement works have been carried out subsequently.

The freehold property is considered to be a mixed motive social investment and is therefore shown at cost. The Trustees have concluded that there is no objective evidence of impairment at the Balance sheet date.

	2020 £	2019 £
<b>COST</b>		
At 1 January and 31 December	1,088,736	1,088,736
<b>NET BOOK VALUE</b>		
At 31 December	1,088,736	1,088,736

**7. INVESTMENTS**

The Charity holds units in investments that are redeemable at the holders' option subject to a three month notice period. Market value is determined using monthly prices provided by the independent administrator of the investment upon which unit holders may subscribe and redeem. The movement on investments for the year was as follows:

	<b>2020</b> £	<b>2019</b> £
<b>MARKET VALUE</b>		
At 1 January	320,554	200,646
Additions	200,001	100,000
Unrealised gains	48,149	19,908
At 31 December	568,704	320,554

As at 31 December 2020, the market value of the investment was made up of the total cost of the investment £500,001 (2019: £300,000) and an accumulated unrealised gain of £68,703 (2019: £20,554).

**8. DEBTORS**

	<b>2020</b> £	<b>2019</b> £
<b>DEBTORS</b>		
Gift Aid receivable	25,000	12,500
Other debtors	-	984
Total debtors	25,000	13,484

**9. CREDITORS**

All creditors are due within one year of the Balance Sheet date:

	<b>2020</b> £	<b>2019</b> £
<b>CREDITORS</b>		
Accruals	6,210	2,673
Deferred rental income	5,519	5,212
Total creditors	11,729	7,885

**10. STATEMENT OF UNRESTRICTED FUNDS**

The resources of the Charity are all unrestricted:

	<b>Income</b>	<b>Expenditure</b>	<b>Gains</b>	<b>Total of funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>CURRENT YEAR</b>				
Balance at 1 January 2020	2,348,069	(749,996)	20,554	1,618,627
Movement in funds during 2020	544,299	(433,072)	48,149	159,376
Balance at 31 December 2020	<u>2,892,368</u>	<u>(1,183,068)</u>	<u>68,703</u>	<u>1,778,003</u>
<b>PRIOR YEAR</b>				
Balance at 1 January 2019	1,948,291	(553,692)	646	1,395,245
Movement in funds during 2019	399,778	(196,304)	19,908	223,382
Balance at 31 December 2019	<u>2,348,069</u>	<u>(749,996)</u>	<u>20,554</u>	<u>1,618,627</u>

**11. RELATED PARTY TRANSACTIONS**

During the year, the Charity received donations of £317,958 (2019: £242,963) from Aurum Fund Management Ltd., an entity of which both Adam Sweidan and Kevin Gundle are shareholders.

During the year, the Charity received donations of £3,792 (2019: £50) from Aurum Research Limited, an entity of which both Adam Sweidan and Kevin Gundle are directors.

During the year, the Charity received donations of £140,000 (2019: £70,000) from Kevin Gundle.

During the year, the Charity made grants of £13,486 (2019: £2,974) for the benefit of JWeb, a service co-founded by Deborah Gundle.

Adam Sweidan is a director of Aurum Synchronicity Sterling Fund Ltd., an entity in which the Charity holds units that are included within 'Investments' on the Balance Sheet. This investment does not give rise to any benefit for Adam Sweidan.

The Trustees did not receive any remuneration, benefits in kind or reimbursement of expenses at any time during the year or during the prior year.