

CHARITY NUMBER 1137147

# **THE SENECA TRUST**

AUDITED TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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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 AUDITOR (appointed during the year ended 31 December 2021)

KPMG, Chartered Accountants, 1 Harbourmaster Place, IFSC, Dublin 1, Ireland.

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 2021**

The Trustees submit their report and the audited financial statements of The Seneca Trust (the "Charity") for the year ended 31 December 2021. 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.

Details of the Charity's related parties, including the Trustees, are outlined in note 11 'Related party transactions'.

### **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 Auditor 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 Auditor 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 2021 (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 need, promote health and advance education with a particular focus on people who have a disability or suffer from sickness or lack of education. To carry on for the public benefit of the community the pursuit of providing housing (by construction or conversion) and any associated amenities for disabled 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 objectives.

### **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 objectives 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 £662,275 (2020 - £413,224) which comprise charitable donations paid. The trustees made 12 donations (2020 - 13 donations) totalling £662,275 (2020 - £413,224) during the year. All grants were paid in line with the policies set out above and are not divided into specific programmes.

The donations made have been detailed in note 3 'Charitable activities'. Each of the donees were assessed in light of the Charity's objectives and the Trustees attempt to ensure that the overall impact to the public is greater than the binary monetary value received by the beneficiaries. However, the Trustees believe that the continued increase in the value of donations provides an indicator of achievement.

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 2021 (continued)

### FINANCIAL REVIEW

#### *Incoming resources and resources expended*

Incoming resources totalled £1,014,182 (2020 - £544,299). 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.

#### *Investment performance*

The Charity has invested excess cash in order to provide desirable returns while not putting capital at excessive risk. The Charity's investment returns for the year ended 31 December 2021 were £43,844 which the Trustees believe represents an acceptable level of performance.

#### *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 2021 were £2,161,460 (2020 - £1,778,003).

#### *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, or for the foreseeable future.

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 14 September 2022 and signed on their behalf by:



Kevin Gundle

The Seneca Trust

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SENECA TRUST**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the financial statements of The Seneca Trust ('the Trust') for the year ended 31 December 2021 set out on pages 8 to 15, which comprise the statement of financial activities, the balance sheet and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 December 2021 and of its incoming resources and application of resources including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been prepared in accordance with the Charities Act 2011.

#### ***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 Trust in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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***

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the Trust or to cease its operations, and as they have concluded that the Trust's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustee's conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the trustee's 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 Trust's ability to continue as a going concern for a period of at least twelve months from the date 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.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.



## The Seneca Trust

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SENECA TRUST (continued)**

#### ***Detecting irregularities including fraud***

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Trustees. In addition, our risk assessment procedures included: inquiring with the Trustees as to the Trust's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the Trustees have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; and reading Trustee minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Trust is subject to laws and regulations that directly affect the financial statements including the charities act and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Trust is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Trustees and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. On this audit we do not believe there is a fraud risk related to revenue recognition and we did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; and assessing the disclosures in the financial statements.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### ***Other information***

The trustees are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the trustees' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.





The Seneca Trust

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SENECA TRUST (continued)**

### ***Matters on which we are required to report by exception***

Under the Charities Act 2011 we are required to report to you if, in our opinion:

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

We have nothing to report in respect of the above responsibilities.

### **Respective responsibilities and restrictions on use**

#### ***Responsibilities of trustees for the financial statements***

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust'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 they either intend to liquidate the Trust 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 sections 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### ***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154. Our audit work has been undertaken so that we might state to the 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 Trust and the trustees, as a body, for our audit work, for this report or for the opinions we have formed.

**Vincent Reilly**

for and on behalf of  
KPMG Statutory Auditor  
1 Harbourmaster Place,  
IFSC,  
Dublin 1

**Date: 14/09/2022**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021**

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>INCOME</b>			
Donations and legacies	Note 2	947,605	479,290
Other income		66,577	65,009
<b>TOTAL INCOME</b>		<b>1,014,182</b>	<b>544,299</b>
<b>EXPENDITURE</b>			
Charitable activities	3	662,275	413,224
Raising funds	4	12,295	19,848
<b>TOTAL EXPENDITURE</b>		<b>674,570</b>	<b>433,072</b>
<b>NET INCOME BEFORE MOVEMENT ON INVESTMENTS</b>		<b>339,612</b>	<b>111,227</b>
Net gain on Investments in investment funds	7	43,845	48,149
<b>NET MOVEMENT IN FUNDS</b>		<b>383,457</b>	<b>159,376</b>
RECONCILIATION OF FUNDS:			
Total funds brought forward		1,778,003	1,618,627
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,161,460</b>	<b>1,778,003</b>

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

*The notes on pages 10 to 15 form part of these financial statements*

**BALANCE SHEET AS AT 31 DECEMBER 2021**

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>			
	Note		
Tangible assets	6	1,088,736	1,088,736
Investments in investment funds	7	758,119	568,704
<b>TOTAL FIXED ASSETS</b>		<u>1,846,855</u>	<u>1,657,440</u>
<b>CURRENT ASSETS</b>			
Cash at bank		458,541	107,292
Debtors	8	24,268	25,000
<b>CREDITORS</b>			
Creditors falling due within one year	9	(168,204)	(11,729)
<b>NET CURRENT ASSETS</b>		<u>314,605</u>	<u>120,563</u>
<b>NET ASSETS</b>		<u>2,161,460</u>	<u>1,778,003</u>
<b>CHARITY FUNDS</b>			
Unrestricted funds	10	2,161,460	1,778,003
<b>TOTAL FUNDS</b>		<u>2,161,460</u>	<u>1,778,003</u>

The financial statements were approved by the Trustees on 14 September 2022 and signed on their behalf by:



Kevin Gundle

*The notes on pages 10 to 15 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. As per the SORP definition, the accounts have been prepared with Larger Charities disclosures included.

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.

## 1. ACCOUNTING POLICIES (continued)

### 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 2019) as a social investment and is therefore shown at cost. All costs incurred to bring the tangible fixed asset into its intended working condition are included in the measurement of cost inclusive of capitalised borrowing costs. The property is not depreciated due to its high residual value, however, a provision is made for impairment losses if and when these arise.

### INVESTMENTS

'Investments in investment funds' 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 along with foreign exchange translation movements, 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 fair value.

## 2. DONATIONS AND LEGACIES

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

	2021 £	2020 £
<b>DONATIONS AND LEGACIES</b>		
Donations	923,337	466,790
Gift Aid	24,268	12,500
Total donations and legacies	<u>947,605</u>	<u>479,290</u>

**3. CHARITABLE ACTIVITIES**

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

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>GRANTS MADE</b>			
<b>Donee</b>	<b>Registered charity number</b>		
Hope and Homes for Children	1089490	392,611	199,205
Acumen Fund	n/a	72,103	-
One to One	1086159	60,000	45,000
World Jewish Relief	290767	36,000	20,000
Adara	n/a	23,977	-
JCORE	1132666	20,240	20,000
AFFT	n/a	19,967	-
iheart Principles	1173025	18,700	-
Jweb	271519	11,007	13,486
Kisharon	271519	5,000	10,000
Kristoff Draskoczy	n/a	2,000	-
Habal Khaled	n/a	670	-
Prism The Gift Fund	1099682	-	8,000
The International Rescue Committee	1065972	-	8,000
RoundHouse	1071487	-	4,350
Kathlehong Children's Playground	n/a	-	32,929
Bold Tendencies	1175722	-	2,500
<b>TOTAL CHARITABLE ACTIVITIES</b>		<b>662,275</b>	<b>363,470</b>

**4. RAISING FUNDS**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>COST OF GENERATING FUNDS</b>		
Utilities	6,192	6,426
Professional fees	4,198	7,560
Insurance	1,038	1,656
Sundry expenses	868	24
Bank charges	590	738
Repairs and maintenance	175	175
Foreign exchange	(766)	3,275
<b>TOTAL COST OF RAISING FUNDS</b>	<b>12,295</b>	<b>19,854</b>

**5. INDEPENDENT AUDITOR'S REMUNERATION**

The Independent Auditor charged fees of £4,198 (2020: £nil) in relation to audit services provided for 2021, this expense has been included within 'Professional fees' in note 4 'Raising funds'. The 2020 financial statements were reviewed by an independent examiner who did not receive any fees for such service.

## 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 and is not depreciated due to its high residual value. The Trustees have concluded that there is no objective evidence of impairment at the Balance sheet date.

	2021 £	2020 £
<b>COST</b>		
At 1 January and 31 December	1,088,736	1,088,736
<b>NET BOOK VALUE</b>		
At 31 December	<u>1,088,736</u>	<u>1,088,736</u>

## 7. INVESTMENTS IN INVESTMENT FUNDS

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:

	2021 £	2020 £
<b>MARKET VALUE</b>		
At 1 January	568,704	320,554
Additions	145,571	200,001
Unrealised gains	43,844	48,149
At 31 December	<u>758,119</u>	<u>568,704</u>

As at 31 December 2021, the market value of the investment was made up of the total cost of the investment £645,572 (2020: £500,001) and an accumulated unrealised gain of £112,547 (2020: £68,703).

## 8. DEBTORS

	2021 £	2020 £
<b>DEBTORS</b>		
Gift Aid receivable	18,326	25,000
Other debtors	5,942	-
Total debtors	<u>24,268</u>	<u>25,000</u>

## 9. CREDITORS

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

	2021 £	2020 £
<b>CREDITORS</b>		
Accruals	5,421	6,210
Deferred rental income	5,562	5,519
Committed grants from unrestricted funds	157,221	-
Total creditors	168,204	11,729

The Charity committed to grant unrestricted funds of £157,221 during the year that remained unpaid at 31 December 2021. Such amounts have been recognised as liabilities because the Trustees have communicated commitments to beneficiaries and payment is deemed probable to occur during 2022.

## 10. STATEMENT OF UNRESTRICTED FUNDS

The resources of the Charity are all unrestricted:

	Income Expenditure £ £		Gains £	Total of funds £
<b>CURRENT YEAR</b>				
Balance at 1 January 2021	2,892,368	(1,183,068)	68,703	1,778,003
Movement in funds during 2021	1,014,182	(674,570)	43,845	383,457
Balance at 31 December 2021	3,906,550	(1,857,638)	112,548	2,161,460
<b>PRIOR 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	2,892,368	(1,183,068)	68,703	1,778,003

## 11. RELATED PARTY TRANSACTIONS

During the year, the Charity received donations of £844,738 (2020: £317,958) 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 £10,919 (2020: £3,792) from Aurum Research Limited, an entity of which both Adam Sweidan and Kevin Gundle are directors.

During the year, the Charity received donations of £73,303 (2020: £140,000) from Kevin Gundle.

During the year, the Charity made grants of £11,007 (2020: £13,486) for the benefit of JWeb, a service co-founded by Deborah Gundle.

Adam Sweidan is a director of Aurum Synchronicity Sterling Fund Ltd. and Aurum Synchronicity Dollar Fund Ltd., both entities in which the Charity holds units that are included within 'Investments' on the Balance Sheet. These investments do 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.



## 12. STAFF

The Charity does not employ any staff.

## 13. FINANCIAL INSTRUMENT DISCLOSURE

The Charity is exposed to the market risk arising from its Investments in investment funds.

### Market risk

Market risk is the risk that the market price of the financial instrument will fluctuate due to changes in foreign exchange rates or market factors specific to the security or its issuer or factors affecting all securities traded in the market.

### Market risk – other price risk

Other price risk is the risk that the value of an investment may fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or all factors affecting all instruments traded in the market.

Other price risk is mitigated by choosing Investments in investment funds that have diversified investment portfolios traded on various markets. The Charity does not use sensitivity analysis to measure market risk. However, if the value of the investment funds portfolio rose by 1% the value of the Investment in investment funds for the Charity would also rise by approximately 1%, and vice versa.

### Market risk – currency risk

Currency risk is the risk that the value of a financial instrument may fluctuate due to changes in the price of one currency against another.

The Charity Investments in investment funds are denominated in US dollar and sterling. As at 31 December 2021, the proportions of the Investments in investment funds currency denominations were as follows:

	2021	2020
	%	%
UK sterling	80%	100%
US dollar	20%	0%
	<u>100%</u>	<u>100%</u>

As at 31 December 2021, if the value of UK sterling had depreciated by 1% against the US dollar, the value of the Charity's Investment in investment funds would have decreased by 0.2% and vice versa.

Cash at bank is denominated primarily in UK sterling and US dollars. As at 31 December 2021, 78% (2020: 65%) of the Cash at bank balance was denominated in US dollars. If the value of UK sterling had depreciated by 1% against the US dollar, the value of the Charity's Cash at bank would have decreased by 0.77% (2020: 0.64%) and vice versa.

## 14. FAIR VALUE MEASUREMENT

The fair value of Investments in investment funds at 31 December 2021 was £758,119 (2020: £568,704) and was determined using the unadjusted Net Asset Value as provided by the administrator of those investment funds. Such measurement is considered to be level 2 within the fair value hierarchy which includes valuation techniques for which all significant inputs are directly or indirectly observable from market data.

No transfers have occurred between levels 1, 2 or 3 assets held during the year.

## 15. SUBSEQUENT EVENTS

No events have occurred in respect of the Charity subsequent to the year-end that may be deemed relevant to the accuracy of these financial statements.