

Seaem
Unaudited Financial Statements
31 December 2020

HAFFNER HOFF LTD

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

Seaem

Financial Statements

Year ended 31 December 2020

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	6
Statement of financial activities	7
Statement of financial position	8
Notes to the financial statements	9

Seaem

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Seaem
Charity registration number	1154776
Principal office	Selecta House 297 Swinton Hall Road Salford Manchester M27 4DX

The trustees

Mr H C Goldstein
Mrs M M Goldstein
Mrs C E Simmonds
Mr A Levy (Appointed 14 June 2021)

Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
-----------------------------	--

Seaem

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

Seaem is constituted by a constitution and is a Charitable Incorporated Organisation (CIO). The constitution is dated 27 November 2013 and was registered as a charity on that day with a charity number 1154776.

There is no chief executive officer. The day to day affairs are undertaken by Mr H Goldstein on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

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.

Objectives and activities

The objects of the charity are the advancement of the Orthodox Jewish Faith.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity is funded by donations and investment income. The charity gives out grants in line with the above objects.

There were no individual grants made during the year.

Grants made during the year to institutions are as detailed in the accounts.

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

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.

Seaem

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Achievements and performance

The charity received £84,152 in donations during the year of which £97,655 was paid out by way of grants and support costs. These grants were made in line with the stated objects of the charity and were for the advancement of the Orthodox Jewish Faith, relief of poverty or educational in nature.

The charity also had investment income receivable during the year amounting to £35,134.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

The charity purchased various investments in the year. The details of these purchases can be found in the notes to the accounts.

There were no material fundraising costs during the year.

Related party transactions are disclosed as applicable in the notes to the accounts.

There was a net expenditure and net movement of funds for the year amounting to £9,143.

Financial review

Investment performance

The investments of the charity have all performed well in the year. The gross return this year was 4%. The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions.

Coronavirus

The trustees have considered the impact of coronavirus on the charity and specifically on the value of the investment properties. The trustees have taken advice and consider it too early to reduce the value of the investment property as there are no material indications yet to suggest a reduction in the values. This may change in the coming months and will be reported on next year.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve as there are no formal obligations to pay out any grants.

The trustees have considered the fair value of the investment property taking into account and consider the holding value to be the market value.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current assets of the charity stand at £150,443, all of which are unrestricted.

The trustees' annual report was approved on 28 October 2021 and signed on behalf of the board of trustees by:

Mr H C Goldstein
Trustee

Seaem

Independent Examiner's Report to the Trustees of Seaem

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Seaem ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.

Mr Howard Schwalbe ACA

Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

28 October 2021

Seaem

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	84,152	84,152	106,900
Investment income	5	35,134	35,134	118,106
Total income		<u>119,286</u>	<u>119,286</u>	<u>225,006</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	6,774	6,774	2,385
Expenditure on charitable activities	7,8	97,655	97,655	71,327
Total expenditure		<u>104,429</u>	<u>104,429</u>	<u>73,712</u>
Net losses on investments	11	(24,000)	(24,000)	–
Net (expenditure)/income and net movement in funds		<u>(9,143)</u>	<u>(9,143)</u>	<u>151,294</u>
Reconciliation of funds				
Total funds brought forward		998,110	998,110	846,816
Total funds carried forward		<u>988,967</u>	<u>988,967</u>	<u>998,110</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 9 to 16 form part of these financial statements.

Seaem

Statement of Financial Position

31 December 2020

	Note	2020 £	£	2019 £
Fixed assets				
Investments	15		838,524	816,325
Current assets				
Debtors	16	40,341		45,000
Cash at bank and in hand		164,630		184,975
		<u>204,971</u>		<u>229,975</u>
Creditors: amounts falling due within one year	17	<u>54,528</u>		<u>48,190</u>
Net current assets			<u>150,443</u>	<u>181,785</u>
Total assets less current liabilities			<u>988,967</u>	<u>998,110</u>
Net assets			<u>988,967</u>	<u>998,110</u>
Funds of the charity				
Unrestricted funds			<u>988,967</u>	<u>998,110</u>
Total charity funds	18		<u>988,967</u>	<u>998,110</u>

These financial statements were approved by the board of trustees and authorised for issue on 28 October 2021, and are signed on behalf of the board by:

Mr H C Goldstein
Trustee

The notes on pages 9 to 16 form part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Selecta House, 297 Swinton Hall Road, Salford, Manchester, M274DX, UK.

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 Charities Act 2011.

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.

Fair value

Debtors and creditors are stated at fair value.

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 with the exception of the valuation of the investment property.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

3. Accounting policies *(continued)***Incoming resources**

All incoming resources are 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:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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.

3. Accounting policies *(continued)***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 income or expenditure.

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.

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 charity 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.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	84,152	84,152	106,900	106,900

5. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from investment properties	34,049	34,049	117,381	117,381
Bank interest receivable	1,085	1,085	725	725
	<u>35,134</u>	<u>35,134</u>	<u>118,106</u>	<u>118,106</u>

6. Investment management costs

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other investment management costs	6,774	6,774	2,385	2,385

Seaem

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Charitable grants	96,003	96,003	69,750	69,750
Support costs	1,652	1,652	1,577	1,577
	<u>97,655</u>	<u>97,655</u>	<u>71,327</u>	<u>71,327</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Charitable grants	96,003	151	96,154	69,828
Governance costs	—	1,501	1,501	1,499
	<u>96,003</u>	<u>1,652</u>	<u>97,655</u>	<u>71,327</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2020 £	Total 2019 £
General office	151	151	78
Governance costs	1,501	1,501	1,500
	<u>1,652</u>	<u>1,652</u>	<u>1,578</u>

Seaem

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

10. Analysis of grants

	2020 £	2019 £
Grants to institutions		
A A C	5,000	5,000
B J C F	6,000	3,000
B C R	2,000	–
Beis Ruchel	5,000	–
Beis Tefillah	5,000	1,000
British Friends of Meor Beis Yaakov	5,000	–
Bnos Yehudis	5,000	10,000
Chasdei Aharon	–	7,500
Gateshead Talmudical College	7,000	–
Grants under £2000	9,153	7,250
Kolyom Trust	2,000	18,000
Mcr Mesivta	6,000	3,000
MTV Ltd	10,000	–
Ohel Torah	–	2,000
Tchabe Kollel	7,500	7,500
The Great Club	10,000	–
Y A M F	9,350	–
Yesoidai Hatorah School	2,000	–
Yad Shlomo	–	2,500
YTV London	–	3,000
	96,003	69,750
Total grants	96,003	69,750

11. Net losses on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on investment property	(24,000)	(24,000)	–	–

12. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,500	1,500

13. Staff costs

The average head count of employees during the year was Nil (2019: Nil).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Seaem

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Trustee remuneration and expenses

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

15. Investments

	Investment properties £
Cost or valuation	
At 1 January 2020	816,325
Additions	62,354
Disposals	(40,155)
At 31 December 2020	838,524
Impairment	
At 1 January 2020 and 31 December 2020	
Carrying amount	
At 31 December 2020	838,524
At 31 December 2019	816,325

All investments shown above are held at valuation.

Investment properties

Investments in UK investment property represent a wholly owned investment property as well as four property syndicates in which the charity owns 3.8%, 2%, 2% and 5% respectively.

Valuation of the investment property is at fair value in the opinion of the trustees at the year end.

16. Debtors

	2020 £	2019 £
Prepayments and accrued income	341	–
Other debtors	40,000	45,000
	40,341	45,000

17. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	1,500	1,500
Other creditors	53,028	46,690
	54,528	48,190

Seaem

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

18. Analysis of charitable funds

Unrestricted funds

	At 01 Jan 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2020 £
General funds	998,110	119,286	(104,429)	(24,000)	988,967
	At 01 Jan 2019 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2019 £
General funds	846,816	225,006	(73,712)	—	998,110

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Investments	838,524	838,524
Current assets	204,971	204,971
Creditors less than 1 year	(54,528)	(54,528)
Net assets	988,967	988,967
	Unrestricted Funds £	Total Funds 2019 £
Investments	816,325	816,325
Current assets	229,975	229,975
Creditors less than 1 year	(48,190)	(48,190)
Net assets	998,110	998,110

20. Related parties

Mr & Mrs H Goldstein, trustees of Seaem, donated £25,468 during the year to the charity.

Mr & Mrs H Goldstein, trustees of Seaem, lent various sums interest free to the charity in a previous period and the current period. They were repaid various sums during the year and the balance at the year-end owing to them on an interest free basis amounted to £3,028.

21. Charity status

Seaem is a charitable incorporated organisation. It is registered with the Charity Commission and has a limited financial liability status.

Seaem is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.