

Charity number: 1187265

W. WING YIP AND BROTHERS FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2023

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Ms. J. Loynton
B.J. Yip
A.S.Y.W. Yip
J.R. Bates
E. Yap
D.S.S.W. Yip
S. Munputkul – appointed 2 November 2022

**CHARITY
REGISTRATION NUMBER**

1187265

PRINCIPAL OFFICE

375 Nechells Park Road
Nechells
Birmingham
B7 5NT

Independent Examiner

Peter Smith FCCA, ACA.
JW Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

BANKERS

Barclays Bank PLC
PO Box 5960
1 Snowhill
Snow Hill Queensway
Birmingham
BX3 2BB

TRUSTEES' ANNUAL REPORT

The trustees present their report and the financial statements for the year ended 31st July 2023.

Legal and administrative information set out on page 1 forms part of this report.

The Foundation is a registered charity, number 1187265, and is a charitable incorporated organisation governed by its constitution dated 8 January 2020.

Prior to the registration as a CIO the charity operated as an unincorporated charity (number 326999). The Transfer of assets took place on 2 February 2021 and the old charity subsequently closed.

The objects of the charity are the relief of poverty, sickness and old age, and the advancement of education and religions.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Practice.

ORGANISATION

The first trustees appointed by the sponsor under the terms of the Trust Deed were W. Wing Yip and his two brothers (family trustees) and two non-family trustees. On a vacancy occurring, a new trustee may be appointed by the remaining trustees. The number of trustees may be increased at the discretion of the trustees to include the descendants of the first named family trustees (or such other family members as the Family Trustees shall from time to time decide) provided that the number of family trustees does not exceed ten persons. There must always be a majority of Family Trustees, a minimum of three trustees including one non-family trustee and a maximum of twelve trustees.

The trustees who have held office throughout the year are listed on page 1.

As reported in previous years, the Foundation has been incorporated into a Charitable Incorporated Organisation (CIO). Following delays due to various reasons, not least the COVID Pandemic, the transfer of the remaining assets was finally completed during the year. The incorporation was also used as an opportunity to review and update the governing documentation to reflect a more current constitution and this has been achieved for the CIO.

REVIEW OF ACTIVITIES, FUTURE STRATEGY AND PUBLIC BENEFIT

The objects of the charity are as stated above, and the trustees have achieved these objects by:

- financing bursaries to students and specific educational grants
- making donations to community welfare projects
- making donations to medical research and the relief of suffering

GRANT-MAKING POLICY

In addition, grants and donations are awarded to educational institutions in the UK.

All these bursaries and grants made a contribution to the fees and living expenses of the students concerned to enable them to complete their studies.

The educational grants are the main focus of the charity, but donations are also made to charities who are engaged in community welfare, and medical research and care for the sick although the charity does not make grants of a religious nature. All these donations enable the recipient bodies to continue and improve the services offered to those in need and in this way are of public benefit. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Foundation's aim and objective, in planning future activities and setting the grant making policy for the year.

The level of achievement of the charity's objectives is monitored by the receipt of reports from the universities, schools, community bodies, medical charities and other recipients confirming how the donations have enabled them to continue or improve their services.

The Foundation does not fund-raise. It is entirely reliant on income from its investments, which consist of freehold property leased to sitting tenants, income from quoted investments and interest received which has increased in the last year in line with interest rate increases. During last year the property was fully let. The collection of rents, which had been problematic during the Global Pandemic and the subsequent period, has improved during the year and is now largely up to date. Since the year end two leases have expired and the tenants departed, the vacant units are actively being marketed and the Trustees are confident they will be occupied in the near future.

As reported last year, whilst the Trustees have been satisfied historically with the return achieved by the property, they felt the interests of The Foundation would be better served by disposing of it and investing the proceeds in assets where there is greater certainty of receiving the income. Having obtained a valuation last year the property was marketed and an offer accepted at the year end. However, completion was not achieved by the appointed date and the Trustees have subsequently decided to take it off the market whilst they review the situation. The trustees have the power to invest in such assets as they see fit.

As reported in previous years, the Trustees had agreed to make awards to up to four students at Loughborough University for the duration of their degree course. Last year, this was increased to five students, an increase over the normal annual number as, unfortunately, students previously supported had dropped out. This year the Trustees agreed that for 2023/24 six students would be offered support rather than the usual four.

Chinese Community Health and Wellbeing Service was supported this year with a donation of £12,000 (2022 £42,000) which is an organisation whose objects are closely aligned with those of The Foundation.

The Trustees intend to continue their Grant Making Policy that the Foundation will not, as a general rule, support very large charitable applicants, projects and travel undertaken by individuals or religious organisations. Instead, it will focus on worthwhile, smaller charities and applicants where the support will make a real difference.

As previously reported, the Trustees are mindful that the Foundation has considerable reserves and have now introduced a system whereby all applications are recorded, circulated and then properly considered at Trustee meetings so that the overall level of grants being made return to an appropriate level. As also reported previously, they continue endeavouring to identify a major project to celebrate the 50th Anniversary of the Wing Yip Business. The COVID 19 Pandemic delayed progress with this, and any potential major project will be considered in conjunction with the possible disposal of the property.

FINANCIAL REVIEW

Review of Financial Activities

The statement of financial activities is shown on page 7. During the year the trustees made grants totalling £97,500 (2022: £90,000). Details of all grants made are shown on pages 11 and 12.

As a result of the requirements of the Charities SORP to account for grants awarded in the year in which the pledge is made rather than the year in which the grant is paid the amount of grants shown in the accounts can show significant fluctuations from year to year.

The net increase in funds for the year was £6,365 including £4,400 deficit on revaluation of investments (2022: surplus £440,441 after £424,172 surplus on revaluation of investments).

RESERVES POLICY

The trustees consider that the level of free reserves, which are those funds not invested in fixed assets, should be approximately three months of expended resources which over the last years equates to £40,000. At the year-end retained free reserves were £448,639 (2022: £437,932) as a result of previously accumulating funds to acquire additional property to provide income to enable the charity to increase its grants and donations. The Trustees now intend to review this policy, together with the possible disposal of the property, and formulate an integrated investment, reserves and grant making policy going forwards. Total reserves, being free reserves plus funds invested in fixed assets, at the year-end were £1,890,531 (2022: £1,884,166).

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity is exposed in relation to the operation and finances of the trust. The main risk is the loss of income from property arising from tenants vacating their units or failing to meet their financial commitments. This risk is managed by the use of the property department of a Wing Yip group company to manage the property and ensure that it is well-maintained and rental payments are monitored so that any potential problems are detected and remedied at an early stage. The trustees are satisfied that this and other systems of internal control are in place to mitigate exposure to risks.

As stated above under Organisation, the trustees have now incorporated The Foundation as a Charitable Incorporated Organisation (CIO) which also forms part of their risk mitigating policy. They are also considering the disposal of the property which would substantially reduce the income risk to The Foundation and thereby provide certainty of the amounts available for future grant making.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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 SORP (FRS 102). 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.

Approved by the Board of Trustees on 20 March 2024 and signed on its behalf by:-

J R Bates

) J. R. Bates, FCA, DChA

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
W. WING YIP AND BROTHERS FOUNDATION**

Independent Examiner's Report to the Trustees of W. Wing Yip and Brothers Foundation

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 July 2023.

Responsibilities and Basis of Report

As the charity's Trustees you are responsible for the preparation of the financial statements 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

I have completed my examination. I can 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 accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of financial statements 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 financial statements to be reached.



Peter Smith FCCA, FCA.

JW Hinks LLP

Chartered Accountants

19 Highfield Road

Edgbaston

Birmingham

B15 3BH

20 March 2024

**W. WING YIP AND BROTHERS FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2023**

7

	Notes	Unrestricted funds 2023 £	2022 £
INCOME AND EXPENDITURE			
INCOME			
Investment income:			
Rents receivable		118,875	118,000
Bank interest receivable		1,271	24
Dividends received		3,375	3,063
TOTAL INCOME		123,521	121,087
EXPENDITURE			
Expenditure on charitable activities:	3		
Education		66,000	42,000
Community welfare		14,500	3,000
Medical research and relief of suffering		17,000	45,000
		97,500	90,000
Cost of raising funds			
Investment management costs	4	8,595	8,534
Other costs	5	6,661	6,284
		15,256	14,818
TOTAL EXPENDITURE		112,756	104,818
Unrealised (deficit) / gain on investments	6	(4,400)	424,172
NET INCOME		6,365	440,441
Balance brought forward		1,884,166	1,443,725
BALANCE CARRIED FORWARD		1,890,531	1,884,166

All of the above transactions relate to unrestricted funds.

There are no recognised gains or resources other than the net movement in funds.

**W. WING YIP AND BROTHERS FOUNDATION
BALANCE SHEET
AS AT 31ST JULY 2023**

8

	Notes	2023 £	2022 £
FIXED ASSETS			
Investments	7	1,441,892	1,446,234
CURRENT ASSETS			
Debtors	8	17,961	35,860
Cash at bank - current account		170,320	524,690
investment account		400,000	-
		588,281	560,550
CURRENT LIABILITIES			
Amounts falling due within one year	9	139,642	122,618
NET CURRENT ASSETS		448,639	437,932
NET ASSETS		1,890,531	1,884,166
UNRESTRICTED FUNDS		1,890,531	1,884,166

Approved by the Board of Trustees on 20 March 2024 and signed on its behalf by:

J R Bates

) J. R. BATES, FCA, DChA

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General information and basis of preparation

W. Wing Yip and Brothers Foundation is a charitable incorporated organisation registered in England and Wales.

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at fair value. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP). The financial statements have been prepared in accordance with applicable UK Accounting Standards (FRS 102) and the Charities Act 2011.

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 SORP rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102 and the trustees consider that there are no material uncertainties about its ability to continue as a going concern.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Income

Investment income includes rents receivable which are accounted for in the period to which the charity is entitled, the amount can be measured reliably.

c) Expenditure

Costs are included on an accruals basis when there is a legal or constructive obligation to make payments to third parties, settlement is probable, and the obligation can be measured reliably.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is not binding or is dependent on the occurrence of another event.

d) Fixed asset investments

Investments are stated in the financial statements at market value, which the trustees consider equate to a fair value and is arrived at as follows:

- Freehold property - based upon the reasonable fair estimate of the trustees and subject to periodic professional valuation.
- Quoted investments - closing mid-market value at the balance sheet date.

e) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable payable within one year are recorded at transaction price.

f) Funds

All funds are unrestricted and may be used by the trustees for any purpose in furtherance of the charitable objectives.

g) Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the accounting policies that have a significant effect on amounts recognised in the financial statements.

There are no other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

h) Cashflow Statement

The charity has taken advantage of the exemption in SORP not to produce a cash flow statement.

2. TRUSTEES AND KEY MANAGEMENT PERSONNEL REMUNERATION

None of the trustees receives any remuneration, other benefits or expenses from the charity.

There are no employees of the charity and therefore no individuals earning more than £60,000 per annum.

3. GRANTS	2023	2022
	£	£
<u>Educational</u>		
Overseas Chinese Association School	6,000	-
Birmingham Chinese School	3,000	3,000
Brent Chinese Association School	3,000	-
Loughborough University	54,000	39,000
	<hr/>	<hr/>
	66,000	42,000
<u>Community Welfare</u>		
Wolverhampton Youth Zone	4,000	-
Youth on the Move	1,000	-
The Respite Association	1,000	-
Childrens Liver Disease	1,000	-
Citywide Mentoring	1,000	-
The Honey-pot Childrens' Charity	-	1,000
Sundry Donations to Community Events	6,500	2,000
	<hr/>	<hr/>
	14,500	3,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023**

3. GRANTS PAID (continued)	2023	2022
	£	£
<u>Medical Research and Relief of Suffering</u>		
Home from Hospital	5,000	3,000
Chinese Community Health and Wellbeing Service	12,000	42,000
	<u>17,000</u>	<u>45,000</u>
Total grants paid	<u>97,500</u>	<u>90,000</u>
 4. INVESTMENT MANAGEMENT COSTS	 2023	 2022
	£	£
Legal and professional charges	3,800	-
Agents' management fees and other charges	4,795	8,534
	<u>8,595</u>	<u>8,534</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023**
5. OTHER COSTS

	2023	2022
	£	£
Independent Examination fee (governance)	2,400	3,182
Bank charges	96	110
Insurance	3,459	1,696
Legal and professional fees	706	1,296
	<hr/>	<hr/>
	6,661	6,284
	<hr/>	<hr/>

6. UNREALISED GAINS/(LOSSES) ON INVESTMENTS

	2023	2022
	£	£
Gain / (Loss) on revaluation of quoted investments	(4,400)	(15,828)
Gain on revaluation of Freehold Property	-	440,000
	<hr/>	<hr/>
Unrealised gain on investments	(4,400)	424,172
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7. INVESTMENTS
FREEHOLD PROPERTY

	2023	2022
	£	£
Fair value at beginning of year	1,400,000	960,000
Gain on revaluation	-	440,000
	<hr/>	<hr/>
Fair value at end of year	1,400,000	1,400,000
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QUOTED INVESTMENTS

Fair value at beginning of year	46,234	61,163
Addition	58	899
Gain / (Loss) on revaluation	(4,400)	(15,828)
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Fair value at end of year	41,892	46,234
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TOTAL FIXED ASSETS

	<hr/>	<hr/>
	1,441,892	1,446,234
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The above assets are all in the UK.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023**

7. INVESTMENTS (continued)

The freehold property was revalued on 16 July 2022 by an external valuer, Mr Robert Taylor, BSc, MRCIS of Stephens McBride in accordance with the requirements of RICS Valuation Professional Standards 2020.

The valuation was on the basis of market value. The valuer's opinion of market value was derived using recent comparable market transactions on arm's length terms. The trustees believe this valuation represents a fair value for inclusion in the financial statements.

The quoted investments are stated at fair value being the quoted price at the year end.

8. DEBTORS	2023	2022
	£	£
Rents receivable	10,303	19,434
Prepayments	4,593	11,902
Other debtors	3,065	4,524
	<u>17,961</u>	<u>35,860</u>
9. CREDITORS	2023	2022
	£	£
Amounts falling due within one year:		
Grants payable	111,000	93,000
Income received in advance	19,917	19,667
Accruals	3,502	3,501
Other creditors	5,223	6,450
	<u>139,642</u>	<u>122,618</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023**

10. RELATED PARTY TRANSACTIONS

During the year there were no related party transactions.