

Charity registration number 283295

Company registration number 01567651 (England and Wales)

SHIREHALL TZEDAKA COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

SHIREHALL TZEDAKA COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mr D Jay Mr P Jay Mr I S Jay
Secretary	Mr D Jay
Charity number	283295
Company number	01567651
Principal address	Foframe House, 2nd Floor 35-37 Brent Street London NW4 2EF
Registered office	Foframe House, 2nd Floor 35-37 Brent Street London NW4 2EF
Auditor	Lopian Gross Barnett & Co 1st Floor, Cloister House Riverside New Bailey Street Manchester M3 5FS

SHIREHALL TZEDAKA COMPANY LIMITED

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SHIREHALL TZEDAKA COMPANY LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The governors present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The charity's objects are to distribute funds to religious, educational and similar charities for the advancement of religion in accordance with the Orthodox Jewish faith and the relief of poverty and other charitable purposes for the public benefit. The policies adopted in furtherance of these objects are to identify Orthodox Jewish charities which carry out activities such as providing Orthodox Jewish education and other activities which advance religion in accordance with the Orthodox Jewish faith or which relieve poverty and there has been no change in these during the year. The governors confirm that they had regard to guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

The charity's income is generated from investment income and charitable donations and the available income was distributed in the year.

The main strategy for the above aims and objectives is to maintain a stable flow of donations going to worthy causes in the Jewish community. The governors also aim to expand the charity's investment portfolio whenever the opportunity arises. No particular criteria or measures are used to assess success in achieving these aims and objectives.

The only activities undertaken have been monitoring the charity's investment income and making distributions to a number of charities in accordance with the above objectives and policies.

Achievements and performance

The charity has continued to distribute funds to other charities during the year. Nearly all of the available incoming resources, after the charity met loan payment and similar obligations, were distributed benefitting the recipient organisation accordingly. Any remaining cash reserves will be put towards future investment purposes. The charity's investment properties generated net cash returns in line with expectations. The charity distributed close to the maximum available.

At the year end the charity held five UK properties as investments which were valued at £14,225,000 and generated gross rental income of £683,966.

Financial review

The charity's funds for distribution derived from donations received and property investment income from its own property. The total of net incoming resources was £263,394 which resulted a deficiency of £144,481 after charitable donations of £407,875. The fair value of investment properties increased by £408,700. The financial position of the charity at the end of the year is set out on page 8, with closing funds of £9,634,402.

No significant event affected the financial performance and financial position of the charity during the period. Nor have any been identified that are likely to do so currently or in the future.

The governors have identified the principal risks and uncertainties facing the charity and have also adopted plans and strategies to manage these as follows:

- decline in values of investment properties, managed by investing in good quality buildings with reliable tenants as confirmed by the independent valuations obtained on purchase and by own regular monitoring.
- fall in income: letting only to reliable tenants as above; maintaining informal reserves in the charity; having funds available to the governors to lend to the charity if required.

SHIREHALL TZEDAKA COMPANY LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

There is no formal policy to maintain a set level of reserves. The governors are continually looking for appropriate investments which will ensure that high level of returns can be achieved for the charity's benefit.

The governors' investment powers are governed by the charity's Articles of Association which permit the governors to invest the charity funds as they may see fit.

The governors are experienced property investors and have invested the charity's funds in property in order to generate funds for distribution. Investments are chosen on the basis of achieving a yield in excess of that available from cash deposits while maintaining security of income.

The governors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The governors will continue to purchase further investments when they believe it is in the best interests of the charity.

Structure, governance and management

The charity is limited by guarantee. It was incorporated on 12 June 1981 and registered as a charity on the same date. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The governors, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D Jay

Mr P Jay

Mr I S Jay

Governors are recommended and appointed by the Board of Governors.

None of the governors has any beneficial interest in the charity. All of the governors are members of the charity and guarantee to contribute an amount not exceeding £1 in the event of a winding up.

The board of governors administers the charity who retain complete responsibility for its management.

Auditor

In accordance with the company's articles, a resolution proposing that Lopian Gross Barnett & Co be reappointed as auditor of the company will be put at a General Meeting.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Disclosure of information to auditor

Each of the governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The governors' report was approved by the Board of Governors.



Mr D Jay

Governor

Dated: 17/09/2024

SHIREHALL TZEDAKA COMPANY LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The governors, who are also the directors of Shirehall Tzedaka Company Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the governors 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHIREHALL TZEDAKA COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF SHIREHALL TZEDAKA COMPANY LIMITED

Opinion

We have audited the financial statements of Shirehall Tzedaka Company Limited (the 'company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

SHIREHALL TZEDAKA COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF SHIREHALL TZEDAKA COMPANY LIMITED

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors, who are also the directors of the company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the governors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company 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 section 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 or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of laws and regulations that affect the entity, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations.
- Where considered necessary we enquired of those charged with governance, reviewed correspondence and reviewed meeting minutes for evidence of non-compliance with relevant laws and regulations.
- We gained an understanding of the controls environment which includes the controls in place to prevent and detect fraud. We enquired of those charged with governance about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures to assess compliance with relevant laws and regulations.
- We enquired of those charged with governance about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due 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, as with any audit, there remained 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 fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

SHIREHALL TZEDAKA COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF SHIREHALL TZEDAKA COMPANY LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's governors, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's governors as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Jonathan Brodie (Senior Statutory Auditor)
for and on behalf of Lopian Gross Barnett & Co

17/09/2024

Chartered Accountants
Statutory Auditor

1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

Lopian Gross Barnett & Co is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHIREHALL TZEDAKA COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	20,000	-
Investments	4	683,966	647,252
Total income		<u>703,966</u>	<u>647,252</u>
Charitable activities	5	407,875	432,415
Other expenditure	8	440,572	316,184
Total expenditure		<u>848,447</u>	<u>748,599</u>
Net expenditure		(144,481)	(101,347)
Other recognised gains and losses:			
Revaluation of tangible fixed assets		408,700	(18,579)
Net movement in funds		<u>264,219</u>	<u>(119,926)</u>
Reconciliation of funds:			
Fund balances at 1 January 2023		9,370,183	9,490,109
Fund balances at 31 December 2023		<u><u>9,634,402</u></u>	<u><u>9,370,183</u></u>

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

SHIREHALL TZEDAKA COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investment properties	11	14,225,000		13,815,000	
Investments	12		19		19
		<u>14,225,019</u>		<u>13,815,019</u>	
Current assets					
Debtors	13	921,245		899,332	
Cash at bank and in hand		5,588		21,454	
		<u>926,833</u>		<u>920,786</u>	
Creditors: amounts falling due within one year	15	<u>(2,361,817)</u>		<u>(219,193)</u>	
Net current (liabilities)/assets			<u>(1,434,984)</u>		<u>701,593</u>
Total assets less current liabilities			<u>12,790,035</u>		<u>14,516,612</u>
Creditors: amounts falling due after more than one year	16		<u>(3,155,633)</u>		<u>(5,146,429)</u>
Net assets			<u><u>9,634,402</u></u>		<u><u>9,370,183</u></u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		3,766,974		3,911,455	
Revaluation reserve		<u>5,867,428</u>		<u>5,458,728</u>	
			<u>9,634,402</u>		<u>9,370,183</u>
			<u><u>9,634,402</u></u>		<u><u>9,370,183</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Governors on 17/09/2024


 Mr P Jay
 Governor

Company Registration No. 01567651

SHIREHALL TZEDAKA COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		528,414		(1,160,201)
Investing activities					
Purchase of investment property		(1,300)		(18,579)	
Investment income		683,966		647,252	
Net cash generated from investing activities			682,666		628,673
Financing activities					
Drawdown/(repayment) of bank loans		(1,226,946)		558,466	
Net cash (used in)/generated from financing activities			(1,226,946)		558,466
Net (decrease)/increase in cash and cash equivalents			(15,866)		26,938
Cash and cash equivalents at beginning of year			21,454		(5,484)
Cash and cash equivalents at end of year			5,588		21,454

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Shirehall Tzedaka Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Foframe House, 2nd Floor, 35-37 Brent Street, London, NW4 2EF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the investment properties at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the governors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the governors in furtherance of their charitable objectives.

Funds held by the charity are all unrestricted. These being funds which can be used in accordance with the charitable objects at the discretion of the governors. The revaluation reserve will only become available on realisation of the sale of an investment property.

1.4 Income

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income represents amounts receivable for rents and services. Investment income is recognised on the commencement of and in accordance with a lease, adjusted for any incentives as required under FRS102. A property is regarded as sold when significant risks and returns have been transferred to the buyer. For conditional exchanges, sales are recognised as the conditions are satisfied.

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other costs include all costs involving the public accountability of the charity and its compliance with regulation and good practice. These include costs relating to statutory audit and professional fees.

Grants payable represent donations paid to religious, educational and similar charities, and are recognised when payment is made by the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33.33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Joint arrangement not an entity

The company is a party to a joint arrangement that is not an entity with a number of individuals and other business entities. Accordingly, these financial statements have been prepared in accordance with FRS102 section 15 to incorporate the joint arrangement.

1.12 Group accounts

The financial statements present information about the charity as an individual undertaking and not about its group. The charity and its subsidiary undertakings comprise a small group. The charity has therefore taken advantage of the exemptions provided by sections 399 of the Companies Act 2006 not to prepare group accounts.

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	20,000	-

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	683,966	647,252

5 Grants payable

	2023 £	2022 £
Grants to institutions		
Other	407,875	432,415

Included in the above charitable donations were £395,000 made to Achisomoch Aid Co Ltd (Reg. charity no. 278387) for religious education and the relief of hardship and poverty.

6 Governors

None of the governors (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year.

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

8 Other

	2023 £	2022 £
Auditors' remuneration	5,500	5,000
Auditors' fees for non-audit work	5,835	4,075
Interest and finance costs on bank loans	324,987	181,614
Interest on other loans	96,960	96,960
Other expenditure	7,290	28,535
	<u>440,572</u>	<u>316,184</u>

9 Taxation

The activities of Shirehall Tzedaka Company Limited are exempt from direct taxation under Part 11 of Corporation Tax Act 2010.

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2023	12,978
At 31 December 2023	<u>12,978</u>
Depreciation and impairment	
At 1 January 2023	12,978
At 31 December 2023	<u>12,978</u>
Carrying amount	
At 31 December 2023	-
At 31 December 2022	<u>-</u>

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Investment property

	2023 £
Fair value	
At 1 January 2023	13,815,000
Additions through external acquisition	1,300
Net gains or losses through fair value adjustments	408,700
	<u>14,225,000</u>
At 31 December 2023	<u>14,225,000</u>

The fair value of the investment property has been arrived at on the basis of a valuation carried out by a governor of the company. The valuation was made on an open market value basis.

12 Fixed asset investments

	Unlisted investments £	Other investments	Total £
Cost or valuation			
At 1 January 2023 & 31 December 2023	16	3	19
	<u>16</u>	<u>3</u>	<u>19</u>
Carrying amount			
At 31 December 2023	16	3	19
	<u>16</u>	<u>3</u>	<u>19</u>
At 31 December 2022	16	3	19
	<u>16</u>	<u>3</u>	<u>19</u>
		2023	2022
Other investments comprise:	Notes	£	£
Investments in subsidiaries	19	3	3
		<u>3</u>	<u>3</u>

Fixed asset investments not carried at market value

The above investments are in dormant companies and shown at cost.

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	886,416	862,222
Prepayments and accrued income	34,829	37,110
	<u>921,245</u>	<u>899,332</u>

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Loans and overdrafts

	2023 £	2022 £
Bank loans	3,156,633	4,383,579
Loans from related parties	808,000	808,000
	<u>3,964,633</u>	<u>5,191,579</u>
Payable within one year	809,000	45,150
Payable after one year	<u>3,155,633</u>	<u>5,146,429</u>
Amounts included above which fall due after five years:		
Payable by instalments	263,456	1,140,008
Payable other than by instalments	<u>1,002,625</u>	<u>1,002,625</u>
	<u>1,266,081</u>	<u>2,142,633</u>

The bank long-term loans are secured on property investments.

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	14	1,000	45,150
Other borrowings		808,000	-
Other taxation and social security		3,361	5,323
Trade creditors		122	1,922
Amounts owed to subsidiary undertakings		3	3
Other creditors		<u>1,324,447</u>	<u>32,760</u>
Accruals and deferred income		<u>224,884</u>	<u>134,035</u>
		<u>2,361,817</u>	<u>219,193</u>

16 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	14	3,155,633	4,338,429
Other borrowings		-	808,000
		<u>3,155,633</u>	<u>5,146,429</u>

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the governors for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	9,370,183	703,966	(848,447)	408,700	9,634,402
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	9,490,109	647,252	(748,599)	(18,579)	9,370,183
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2023	2022
	£	£
Other related parties	2,132,446	32,760
	<u> </u>	<u> </u>

The charity borrowed £808,000, unsecured, from Domo Securities Ltd, a company in which the governors have material interests as shareholders and directors. The loan is at an interest rate of 12% per annum and repayable on term in 2024. All the other loans are interest free and repayable on demand.

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2023		Amounts owed by related parties 2022	
	Balance £	Net £	Balance £	Net £
Other related parties	864,365	864,365	842,600	842,600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	864,365	864,365	842,600	842,600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Related party transactions

(Continued)

Included in the above is £605,837 due from another charity with the same governors, objects and purpose as this one.

The charity had rental income of £125,192 from Maven Heathcare (Yew) LLP, an LLP whose members are governors of the charity.

The charity has given a first legal charge over the leasehold interest in 79-81 New Church Road, Hove and a company guarantee limited to £2.2m to the Unity Trust Bank for a loan made to Maven Heathcare (Yew) LLP. This LLP is the tenant of that property and whose members are governors of the charity. Part of the loan monies raised were used to repay a £1.2m loan the charity had with The Charity Bank secured on that property.

19 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Yew Properties Limited	England and Wales	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Yew Properties Limited	-	3

20 Cash generated from operations

2023
£

2022
£

Surplus/(deficit) for the year	(144,481)	(101,347)
Adjustments for:		
Investment income recognised in statement of financial activities	(683,966)	(647,252)
Movements in working capital:		
(Increase) in debtors	(21,913)	(429,079)
Increase in creditors	1,378,774	17,477
Cash generated from/(absorbed by) operations	528,414	(1,160,201)

SHIREHALL TZEDAKA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Analysis of changes in net (debt)/funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	21,454	(15,866)	5,588
Loans falling due within one year	(45,150)	(763,850)	(809,000)
Loans falling due after more than one year	(5,146,429)	1,990,796	(3,155,633)
	<u>(5,170,125)</u>	<u>1,211,080</u>	<u>(3,959,045)</u>