

COMPANY REGISTRATION NUMBER: 03790215

CHARITY REGISTRATION NUMBER: 1077143

4 CHARITY FOUNDATION
Company Limited by Guarantee
UNAUDITED FINANCIAL STATEMENTS
31 MARCH 2021

COHEN ARNOLD
Chartered Accountants
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

**4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

	PAGES
Trustees' annual report (incorporating the director's report)	1 to 4
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the financial statements	8 to 18

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name 4 Charity Foundation
Charity registration number 1077143
Company registration number 03790215
Principal office and registered office 121 Princes Park Avenue
London
NW11 0JS

THE TRUSTEES Mr Jacob Schimmel
Mr Jonathan Schimmel
Mrs Verette Schimmel
Mr Nathaniel Schimmel (Appointed 27 October 2021)

INDEPENDENT EXAMINER David Goldberg, FCA DChA
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is constituted as a company limited by guarantee, and is therefore governed by its Memorandum and Articles of Association.

The day-to-day affairs of the Charity are administered by the council of Trustees. None of the Trustees who are also the Directors have any beneficial interest in the Charity.

It is not currently the intention of the Trustees of the Charity to appoint new Trustees. Should the situation change in the future, the Trustees will apply suitable recruitment, induction and training procedures.

OBJECTIVES AND ACTIVITIES

The Charity is established to further those purposes both in the United Kingdom and abroad recognised as charitable by English Law and in furtherance of its objects. The Charity receives income from its investments which it utilises in the provision and distribution of grants and donations.

The Charity's principal activity throughout the year was the provision and distribution of donations and grants to charities, and no change is envisaged in the immediate future.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE

During the year the Charity continued its philanthropic activities in support of religious, education and other Charitable Institutions. Aggregate donations in the sum of £724,612 (2020: £952,337) were paid in the year to 31 March 2021 (see note 7).

The Charity was reliant on the income derived from its investments and reserves brought forward. During the year under review the gross income arising from its investments was £157,682 (2020: £255,358).

The net deficit on incoming resources during the year under review is a result of the charity's continued effort to maintain its grants making activities, partially funded from accumulated reserves of the charity.

The financial results of the Charity's activities for the year ended 31 March 2021 are fully reflected in the attached Financial Statements together with the Notes thereon.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Reserve Policy

The Trustees consider it is essential to maintain a suitable level of reserves to ensure funds are always available to meet their charitable objectives.

Total reserves as reported on page 7 are £4,393,270 (2020: £6,636,707). By excluding fixed assets, adjusted free reserves are £2,996,109 (2020: £5,108,691).

Grant making policy

Grants are made to charitable institutions and organisations whose activities accord with the objects of the Charity.

Investment Powers and Policy and Objectives

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit. The Trustees regularly review the Charity's position and needs in respect of the investment policy.

The Charity's Investment Policy was originally to make investments of its free funds which provide a secure stream of income with potential for increases in capital growth with particular preference for low risk secure property investments in which the Trustees have considerable experience and a successful track record.

Following the sale of the Charity's investment property, the trustees embarked on a cautious reinvestment program of part of the proceeds from the sale and substantially increased the level of donations. The trustees decided to diversify their investments and take advice from professional experts in their fields. Since the sale, the Charity has invested in a property venture in the UK via its Subsidiary Undertaking and has also made interest free loans to other charitable entities.

The Trustees believe that some of the other investments have performed well during the year generating a surplus which was applied to facilitate grant making. However, due to the downturn in the property development market, its subsidiary 4 Brentwood Ltd was unable to repay the loan by the due date. In July 2020, the Charity received a satisfactory report from a professional firm of forensic experts relating to the financial affairs of Brentwood Apartments LLP, into which its subsidiary undertaking, 4 Brentwood Ltd has invested. Further details are provided in note 17.

The trustees have considered the risk profile of the investments held by the charity in view of their desire to make significant donations and to provide readily available funds in the furtherance of the Charity's activities. The trustees seek to invest in a mix of investments with varying levels of liquidity and monitor their returns on a regular basis.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 MARCH 2021

PLANS FOR FUTURE PERIODS

The Trustees plan to continue to make distributions in accordance with their grant making policy and to ensure that an appropriate level of reserves is maintained, bearing in mind the global financial instability by the COVID-19 pandemic.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The Trustees have identified and reviewed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems are in place to manage those risks.

Going Concern

The outbreak of the COVID-19 during 2020 has presented the charity with some challenges regarding investment income which the trustees believe will continue for the foreseeable future. In addition, the uncertainty surrounding Brexit may also impact the UK economy and sources of income for the charity. These risks are beyond the control of the charity and represents uncertainty to the income of the charity.

Notwithstanding the uncertainty, the financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the charity and available sources of finance. The Trustees recognise that they have the ability to exercise control over the charity's grant making charitable activities due to the absence of any legally binding obligations.

FIXED ASSETS INVESTMENTS

The movements in fixed asset investments are fully reflected in note 16 to the financial statements.

The Charity's unlisted investments are included at Trustees' valuations and the listed investments are included at their fair values at Balance sheet date and details of Assets values are disclosed in note 16.

SMALL COMPANY PROVISIONS

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

The trustees' annual report was approved on 22 December 2021 and signed on behalf of the board of trustees by:


.....
MR JACOB SCHIMMEL
TRUSTEE

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF 4 CHARITY
FOUNDATION
YEAR ENDED 31 MARCH 2021

I report to the trustees on my examination of the financial statements of 4 Charity Foundation ('the charity') for the year ended 31 March 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

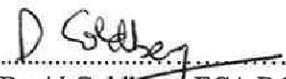
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.


.....
David Goldberg, FCA DChA
Independent Examiner

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

22 December 2021

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2021

		2021	2020
	Unrestricted		
	funds	Total funds	Total funds
Note	£	£	£
Income and endowments			
Investment income	5	157,682	255,358
Total income		157,682	255,358
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	(98,614)	(81,935)
Expenditure on charitable activities	7,8	(2,085,673)	(1,112,167)
Other expenditure	10	(450,032)	–
Total expenditure		(2,634,319)	(1,194,102)
Net gains on investments	11	233,200	304,966
Net expenditure and net movement in funds		(2,243,437)	(633,778)
Reconciliation of funds			
Total funds brought forward		6,636,707	7,270,485
Total funds carried forward		4,393,270	6,636,707

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 8 to 18 form part of these financial statements.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	1,397,161	1,528,016
Current assets			
Debtors	17	2,225,806	3,947,062
Cash at bank and in hand		824,573	1,184,529
		<u>3,050,379</u>	<u>5,131,591</u>
Creditors: amounts falling due within one year	18	<u>(54,270)</u>	<u>(22,900)</u>
Net current assets		<u>2,996,109</u>	<u>5,108,691</u>
Total assets less current liabilities		<u>4,393,270</u>	<u>6,636,707</u>
Net assets		<u>4,393,270</u>	<u>6,636,707</u>
Funds of the charity			
Unrestricted funds		<u>4,393,270</u>	<u>6,636,707</u>
Total charity funds	19	<u>4,393,270</u>	<u>6,636,707</u>

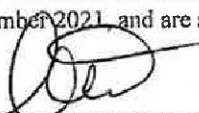
For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act 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.

These financial statements were approved by the board of trustees and authorised for issue on 21 December 2021 and are signed on behalf of the board by:


MR JACOB SCHIMMEL
TRUSTEE

The notes on pages 8 to 18 form part of these financial statements.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 121 Princes Park Avenue, London, NW11 0JS.

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 Companies Act 2006.

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 investments 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

Due to those going concern issues (mentioned in the trustees' report) in respect of COVID-19 pandemic, the trustees are of the opinion that there are no material uncertainties about the Charity's ability to continue its operation in the foreseeable future.

Consolidation

The entity has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertaking comprise a small group.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

3. ACCOUNTING POLICIES *(continued)*

Judgements and key sources of estimation uncertainty

Judgements made by the trustees in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

(i) Investment Valuation

The valuation of unlisted investments at trustees' valuation is subjective and depends on many factors including the nature of the investment and its expected future returns and capital appreciation. Therefore, the valuation is subject to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate particularly in periods of difficult market or economic conditions.

(ii) Debtors

Management use details of the age of loan debtors and the status of any disputes together with external existence of the credit status of the counterparty in making judgements concerning any need to impair the carrying value.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities on accrual basis and 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.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

3. ACCOUNTING POLICIES *(continued)*

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 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.

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.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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 or preference 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.

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 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

4. LIMITED BY GUARANTEE

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

5. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investments assets outside the UK	157,614	157,614	137,513	137,513
Bank interest receivable	68	68	3,096	3,096
Other interest receivable	—	—	114,749	114,749
	<u>157,682</u>	<u>157,682</u>	<u>255,358</u>	<u>255,358</u>

6. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fees paid on success of investment	6,908	6,908	116,265	116,265
Foreign exchange (gains)/losses	91,706	91,706	(34,330)	(34,330)
	<u>98,614</u>	<u>98,614</u>	<u>81,935</u>	<u>81,935</u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable donations	724,612	724,612	952,337	952,337
Loan to charitable institution fully provided (refer to note 17)	1,300,000	1,300,000	—	—
Support costs	61,061	61,061	159,830	159,830
	<u>2,085,673</u>	<u>2,085,673</u>	<u>1,112,167</u>	<u>1,112,167</u>

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Other Activities £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable donations	–	724,612	10,537	735,149	960,375
Loan to charitable institution fully provided (refer to note 17)	1,300,000	–	–	1,300,000	–
Governance costs	–	–	50,524	50,524	151,792
	<u>1,300,000</u>	<u>724,612</u>	<u>61,061</u>	<u>2,085,673</u>	<u>1,112,167</u>

GRANTS PAYABLE

The Charity did not undertake any activity directly, but met its charitable purposes by making grants to institutions.

	2021 £
Advancement of Education	423,990
Advancement of Health or the saving of lives	135,371
Prevention or relief of poverty	115,250
Others	50,000
	<u>724,611</u>

The above analysis of donations into the four main charitable purposes is an approximation of the overall donations given, as grant making activities are generally given for multiple causes.

The following grant payments were made during the year ended 31 March 2021:

	2021 £
JNF Charitable Trust	214,171
Asser Bishvill Foundation	137,800
KKL Charity Accounts	84,300
GirIEffect	54,940
The Marque Foundation	50,000
British friends of Yeshivat Har Etzion	40,800
Ahavat Yisroel UK	38,000
Covenant and Conversation Trust	37,250
American Jewish Joint Distribution Committee UK Trust	31,750
Hasmonean High School Charitable Trust	18,000
Amounts below £10,000	17,600
Total Grants Payable	<u>724,611</u>

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

9. ANALYSIS OF SUPPORT COSTS

	2021	2020
	£	£
Legal and professional fees	5,500	7,100
Travel expenses	6,169	746
Bank charges/(refund)	(1,132)	192
Governance costs	50,524	151,792
	<u>61,061</u>	<u>159,830</u>

10. OTHER EXPENDITURE

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Provision for bad debts against loan Interest	<u>450,032</u>	<u>450,032</u>	<u>—</u>	<u>—</u>

Provision for bad debts relates to a provision of £450,032 made against accumulated loan interests due from its subsidiary undertaking. For further details, refer to note 17 and the trustees' report.

11. NET GAINS ON INVESTMENTS

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains (losses) on revaluation of investments	233,200	233,200	299,348	299,348
Gains/(losses) on impairment of investments	—	—	(196,447)	(196,447)
Gains on disposal of listed investments	—	—	86,916	86,916
Gains on disposal of other investment assets	—	—	115,149	115,149
	<u>233,200</u>	<u>233,200</u>	<u>304,966</u>	<u>304,966</u>

12. AUDITORS REMUNERATION

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>—</u>	<u>19,200</u>

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

13. INDEPENDENT EXAMINATION FEES

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	19,200	—

14. STAFF COSTS

The average head count of employees during the year was nil (2020: nil).

15. TRUSTEE REMUNERATION AND EXPENSES

There were three Trustees who served during the year.

The Trustees did not receive any remuneration for their services. The Charity did not meet any individual expenses incurred for services provided to the charity.

16. INVESTMENTS

	Non-UK Quoted Shares £	Shares in group undertakings £	Non-UK Investments £	Total £
Cost or valuation				
At 1 April 2020	406,193	93	1,631,584	2,037,870
Additions	—	—	1,297	1,297
Disposals	—	—	(297,441)	(297,441)
Fair value movements	155,041	—	10,248	165,289
Transfers - impairment reversal	—	—	(509,854)	(509,854)
At 31 March 2021	561,234	93	835,834	1,397,161
Impairment				
At 1 April 2020		—	(509,854)	(509,854)
Disposals		—	—	—
Reversal of impairment losses		—	509,854	509,854
At 31 March 2021		—	—	—
Carrying amount				
At 31 March 2021	561,234	93	835,834	1,397,161
At 31 March 2020	406,193	93	1,121,730	1,528,016

All investments shown above are held at valuation.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

16. INVESTMENTS *(continued)*

The shares in the group undertaking are held at cost. All other investments are held at fair value.

The Listed investments are listed on recognised Stock Exchange markets and are valued according to the market value at 31 March 2021.

The historical cost of investments at 31 March 2021 is £2,461,996 (2020 : £2,759,437).

The Charity's investments were included in the accounts at their fair values based on Credit Suisse and other Assets Managers Investment reports.

Since 31 December 2019, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Global stock market has experienced significant volatility and weakness. As at 21 December 2021, the date that these financial statements were authorised for issue, the charity has sold majority of its UK listed investments and the fair value of the remaining portfolio of the UK listed investments had risen in value and are in excess of their fair values at 31 March 2021, whilst the fair value of its non-UK unlisted investments had remained substantially unchanged since 31 March 2021. While governments and central banks have reacted with monetary interventions designed to stabilise economic conditions, the duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. These subsequent changes in the fair value of the Charity's investments are not reflected in the financial statements as at 31 March 2021.

The trustees have no participating interests in the Charity's investments and have no influence over the strategic policies in those investments other than the group undertakings.

No provision has been made for any deferred tax liability on unrealised surpluses on revaluation of the charity's investments as it is anticipated that all realised surpluses will be applied for the benefit of this Company's charitable purposes and that no tax liability will arise.

Investment in Subsidiary

The Charity owns 93% of the issued share capital of 4 Brentwood Ltd, a company incorporated in Great Britain and registered in England and Wales.

The results of 4 Brentwood Ltd for the year ended 31 March 2021 as per draft Financial statements are:

	2021	2020
	£	£
Aggregate capital and reserves	(568,386)	(465,012)
Profit and (loss) for the year	(103,374)	(116,399)

Consolidated financial statements have not been prepared as the Charity has taken advantage of the exemptions conferred by section 398 of the Companies Act 2006 and section 139 of the Charities Act 2011.

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

17. DEBTORS

	2021	2020
	£	£
Amounts owed by group undertakings	2,015,168	2,015,168
Prepayments and accrued income	60,638	481,894
Charitable loans	150,000	1,450,000
	<u>2,225,806</u>	<u>3,947,062</u>

Amounts owed by group undertakings relate to amounts due from the Charity's Subsidiary Undertaking, 4 Brentwood Limited. The loan bears interest at Barclays Base rate plus 5% per annum and is secured by a floating charge on the assets of the company. Due to the COVID-19 pandemic and other factors, the development project being carried out by the subsidiary is taking longer than anticipated. The project is currently well advanced and the subsidiary undertaking making repayments in instalments on a regular basis and it is anticipated that the loan will be fully repaid. However, the accumulated interest due remains doubtful and the trustees have decided to provide against it.

Included in Debtors is an interest free loan of £1.3m made to a charity whose activities are in line with the objectives of this charity. The loan is secured by a personal guarantee from a high net worth individual. The trustees have decided to fully provide against this loan in the financial statements, as part of its charitable activities. The charity is still actively pursuing and is in negotiation with the guarantor to recover the debt. However, the charity does not want to claim the debt from the debtor charity, in view of its charitable activities which this charity wishes to support.

Also included in Debtors is an amount of £150,000 made to a charity whose activities is in line with the objectives of this charity. In view of the charitable activities of the debtor charity, involved in supporting medical care including COVID-19, the trustees are not pursuing repayment at this stage.

18. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	48,000	22,900
Sundry Creditors	6,270	—
	<u>54,270</u>	<u>22,900</u>

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

19. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 April 2020	Income	Expenditure	Gains and losses	At 31 March 2021
	£	£	£	£	£
General funds	<u>6,636,707</u>	<u>157,682</u>	<u>(2,634,319)</u>	<u>233,200</u>	<u>4,393,270</u>

	At 1 April 2019	Income	Expenditure	Gains and losses	At 31 March 2020
	£	£	£	£	£
General funds	<u>7,270,485</u>	<u>255,358</u>	<u>(1,194,102)</u>	<u>304,966</u>	<u>6,636,707</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Total Funds 2021 £
Investments	1,397,161	1,397,161
Current assets	3,050,379	3,050,379
Creditors less than 1 year	(54,270)	(54,270)
Net assets	<u>4,393,270</u>	<u>4,393,270</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	1,528,016	1,528,016
Current assets	5,131,591	5,131,591
Creditors less than 1 year	(22,900)	(22,900)
Net assets	<u>6,636,707</u>	<u>6,636,707</u>

21. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2021 £	2020 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>1,397,068</u>	<u>1,527,923</u>
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>2,225,806</u>	<u>3,947,062</u>

4 CHARITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2021

21. FINANCIAL INSTRUMENTS *(continued)*

	2021	2020
	£	£
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>54,270</u>	<u>22,900</u>

22. RELATED PARTIES

- (i) 4 Charity Foundation is incorporated for charitable purposes and has no controlling party.
- (ii) Grants paid includes donations made to the following institutions of which Mr Jacob Schimmel is amongst the Directors/Trustees:-

	£
AJJDC (UK) Trust	31,750
Covenant and Conversation Trust	37,250
GirlEffect	<u>54,940</u>
	<u>123,940</u>

- (iii) Included in the financial statements is a donation of £50,000 (2020: £300,000) made to The Marque Foundation, a charity whose trustees are close family members of the trustees of this Charity.
- (v) Included in Debtors are amounts totalling £– (2020 : £450,032) representing accumulated interest on loan advances to 4 Brentwood Ltd, its subsidiary undertaking.