

Charity Registration No. 1114236

**THE SANDHU CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

THE SANDHU CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees B. S. Sandhu (Chairman and Founder)
P Sandhu (Co-founder)

Administrator and Secretary to the Trustees N Steele

Charity number 1114236

Principal address c/o The Santon Group
Santon House
53-55 Uxbridge Road
Ealing, London W5 5SA

Website www.thesantongroup.com/charity

Independent Auditors Gerald Edelman LLP
73 Cornhill
London
EC3V 3QQ

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Stockbrokers Interactive Investor
One Embankment
Neville Street
Leeds
HP21 8ZB

Julius Baer International Ltd
1 St Martin's Le Grand
London
EC1A 4AS

THE SANDHU CHARITABLE FOUNDATION

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THE SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report and accounts for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charity was established as the long term focus for the philanthropic activities of Bim and Pardeep Sandhu and their family. It is anticipated that they will remain the prime donors of the Foundation for the foreseeable future as the Foundation does not actively fund-raise. It will seek to continue the charitable work desired by the funders through the stewardship of its existing resources and by any further donations made by the funders and their related parties.

The Foundation does not currently undertake any direct charitable activity but meets its charitable objectives by making grants to such charitable purposes, in any part of the world, as the Trustees in their absolute discretion determine. Where activities are carried out in the rest of the world, other than in exceptional circumstances, the Foundation makes donations to other UK charities that oversee that work directly or indirectly in those countries. During the year no payments were made direct to overseas charities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and setting the grant policy for the year. It is the Trustee's current desire to support a variety of charities in line with the public benefit requirement.

It is the short term policy of the Trustees to support individual charities or charitable causes in line with the grant policy set. There are a limited number of charities that are beginning to receive regular annual funding grants. Donations are generally made to charitable institutions with very limited restrictions currently being applied as to activity or geographical area. In particular, unlike many other charities, the Foundation is willing to provide unrestricted funding as this is often the most valuable form of funding from a recipient's perspective. The merits of each application are considered and, if required, further research carried out prior to a grant being made. Given the size of the Board, the Trustees meet on an informal basis to consider such donations. It is expected that the Foundation will continue to fund a variety of charitable causes although the focus is likely to continue to be those dealing with children, with education and health.

In the short term the policy of the Trustees is to expend a minimum of two-thirds of the net income arising per year by way of charitable donations and where that ratio is exceeded to be supplemented, where necessary, from the capital of the Foundation. The Trustees are currently making donations significantly above this minimum balance.

It remains the longer term intent of the Trustees to:

1. Formulate a more focused charitable strategy which will make a fundamental and long term difference to the lives of the recipients; and
2. Become more directly involved in charitable work at the "grass roots" level and/or to identify and support partners on the specific objectives identified in 1 above on a more regular basis.

All Trustees give freely of their time and no Trustees' remuneration or other benefits were paid in the year under review. Any general administration costs, other than audit fees and bank charges are met by the Santon Capital Plc group ("The Santon Group") which is controlled by B.S. Sandhu.

THE SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE

The Foundation undertakes its work through making direct financial contributions to the charitable activities it supports as well as providing indirect support by assisting certain charities in their wider fundraising activities. Since inception the Foundation has made cash contributions of £2.797m and charitable commitments of £0.559m totalling £3.356m.

1. Direct Financial Support

In the year under review the Trustees made grants and commitments totalling £326,000 (2020: £321,500) as detailed in Note 6 to the Accounts. The Trustees note that the Foundation has now granted or committed £3.356 million of donations since it was established to 148 different charitable organisations and causes.

During the year the Trustees made cash donations of £322,500 (2020: £334,000) to 34 different charities (2020: 24) averaging £9,485 (2020: £13,917) per donation. Of the cash payments made, £121,500 (2020: £155,500) was in respect of donation commitments made in prior years to 12 charities (2020: 11). The Trustees also made £125,000 (2020: £143,000) of new commitments to 4 charities (2020: 6), averaging £31,250 (2020: £23,833) per charity. Many of the donations were made on a “matched” funding basis enabling the recipient charities to raise additional funds.

Whilst the Trustees normally highlight several specific charities in detail to whom donations have been made during the year, we are not going to do so this year. The impact of Covid-19 which commenced in the last quarter of the previous financial year had a major impact on the charity sector and the Trustees feel that the efforts of all charities should be noted. During the year, in addition to any regular or committed payments, the Trustees focused on providing funding to charities that were particularly impacted by Covid, including 11 new charities. Despite a fall in income the Trustees decided to marginally increase the Foundations funding commitments but to distribute the amount to a greater number of charities – 34 rather than 24 as in the previous year. The details of these charities are set out in Note 6.

2. Non-Financial and Indirect Support

The Trustees have been actively involved in helping with fundraising from third parties on behalf of a number of charities to whom the Foundation has also donated funds.

Bim Sandhu is an Ambassador to Magic Bus UK.

Pardeep Sandhu is a member of and former Chair of of the lunch committee of The Anne Frank Trust Holocaust Memorial Day Lunch as well as one of the Vice Chairs of The Bursary Appeal, part of the Inspiring Minds Campaign which is seeking to raise £40 million by 2024 at Latymer Upper School.

FINANCIAL REVIEW

The Foundation is currently reliant largely on income and investment returns from its investments.

Investment income decreased to £240,692 in 2021 from £301,123 in 2020. A number of companies in which the Foundation was invested decreased or stopped paying dividends during the year because of the impact of Covid-19 on their operations and finances. Dividend income from listed companies decreased dramatically from £140,955 to £75,914. However, the company benefited from its investment in the 12% Preference shares in Raven Property Group Limited where income increased from £121,508 to £127,976 and capital value increased by over £200,000. Overall, the value of the investment portfolio recovered some of the fall in values which occurred towards the end of last accounting year. We are expecting further recovery in investment values in the year ending 31 March 2022.

The Trustees increased grant funding marginally to £326,000 in 2021 from £321,500 in 2020 despite the fall in investment income.

THE SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees consider that the fixed assets investments of the Foundation are held to provide the annual income to finance expenditure in line with the grant policy set. Reserves are normally considered to be represented by net current assets. Whilst these Reserves were negative at the year-end the Trustees are confident that all the future commitments will be met out of future income or by disposing of its highly liquid listed investments. However, it is more likely that if there was a short term cash flow issue and the Trustees felt that it was not appropriate to dispose of its investments interest free loans would be sought from. The Santon Group as they have been in the past.

RISK ASSESSMENT

The Trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the operations and finance of the Foundation, and have developed a risk management strategy which involves the following:

1. An Annual review of the principal risks and uncertainties that the Foundation faces;
2. The establishment of policies, systems and procedure to mitigate risks identified;
3. The implementation of procedures designed to minimise or manage any potential impact on the Foundation should those risks materialise.

The principal risk faced by the Foundation lies in the performance of its investments. The Trustees consider that the Foundation should aim to seek a return of base rate plus 4% pa on its investments in the medium term. This target was achieved during the year largely as a result of the increase in general market value of investments since the last year end.

The Foundation seeks to invest its funds in a diversified portfolio of listed and unlisted securities.

Another major risk is the reliance of the Foundation on the founders; both from a funding perspective and an operational perspective. It is the medium term intention of the Trustees to seek a wider family involvement and in the short term it is the intention of the trustees to convert the Foundation into a CIO and to appoint a suitable non family member(s) to the Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by a Charitable Trust Deed on 29th March, 2006 and registered as a charity with the Charity Commission on 16th May, 2006.

The Board of Trustees who served during the year and subsequently were:

B S Sandhu (Chairman and Founder)
P Sandhu

The Board as a body have the power to appoint new Trustees at their discretion. All Trustees are required to keep up to date with ongoing developments in charity law and practice. It is the policy of the Board to provide new Trustees with all relevant information appertaining to the Foundation and its affairs.

Decisions regarding charity affairs are made at Trustee meetings which take place as and when required. The day to day administration of the Foundation is carried out by Nicky Steele, under the supervision of the Trustees.

Auditor

Gerald Edelman LLP were appointed as auditor to the charity and a resolution proposing that they be re-appointed will be put at a General Meeting.

THE SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

Each of the Trustees 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 Trustees report was approved by the Board of Trustees.



B S Sandhu
Chairman

Dated: 19 January 2022



P Sandhu
Trustee

Dated: 19 January 2022

THE SANDHU CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for preparing the Trustees Report and the accounts 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 accounts 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 year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE SANDHU CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Sandhu Charitable Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 Trustees 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 charity'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 Trustees 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 Trustees 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.

THE SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE SANDHU CHARITABLE FOUNDATION

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 Trustees 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.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees 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 Trustees 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 Trustees are responsible for assessing the charity'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 Trustees either intend 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 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

We have been appointed as auditors under section 145 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.

Our audit procedures were primarily directed towards testing the accounting systems in operation which we have based our assessment of the financial statements for the year ended 31 March 2021.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

Extent to which the audit was considered capable of detecting irregularities, including fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

THE SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE SANDHU CHARITABLE FOUNDATION

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas; posting of unusual journals.
- Obtaining understanding of the legal and regulatory framework the company operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act, tax legislation, data protection, anti-bribery, employment and health and safety.

Audit response to risks identified

Fraud due to management override

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

Irregularities and non-compliance with laws and regulations

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Reviewing minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation claims.
- Reviewing correspondence with HMRC.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the charity and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the trustees.

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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE SANDHU CHARITABLE FOUNDATION

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Coleman ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP

19 January 2022

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

THE SANDHU CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
<u>Income from:</u>			
Donations and legacies	3	50,400	58,000
Investment income	4	240,692	301,123
		<hr/>	<hr/>
Total income		291,092	359,123
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	338,993	332,449
		<hr/>	<hr/>
Net (expenditure)/income before investment returns		(47,901)	26,674
		<hr/>	<hr/>
Net gain/(loss) on investments	9	968,585	(1,968,856)
		<hr/>	<hr/>
Net income/(expenditure) for the year/Net movement in funds		920,684	(1,942,182)
		<hr/>	<hr/>
Fund balances at 1 April 2020		3,308,278	5,250,460
		<hr/>	<hr/>
Fund balances at 31 March 2021		4,228,962	3,308,278
		<hr/> <hr/>	<hr/> <hr/>

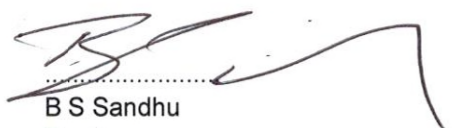
THE SANDHU CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	10		4,857,011		3,795,109
Current assets					
Debtors	12	275,215		251,831	
Cash at bank and in hand		13,558		74,660	
		<u>288,773</u>		<u>326,491</u>	
Creditors: amounts falling due within one year	13	<u>(665,822)</u>		<u>(622,322)</u>	
Net current liabilities			(377,049)		(295,831)
Total assets less current liabilities			4,479,962		3,499,278
Creditors: amounts falling due after more than one year	14		(251,000)		(191,000)
Net assets			<u>4,228,962</u>		<u>3,308,278</u>
Income funds					
Unrestricted funds			4,228,962		3,308,278
			<u>4,228,962</u>		<u>3,308,278</u>

The accounts were approved by the Board of Trustees and authorised for issue on 19 January 2022 and signed on its behalf by:


B S Sandhu
Trustee


P Sandhu
Trustee

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The charity Sandhu Charitable Foundation is a Public Benefit Entity as defined by FRS 102.

The accounts 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

Since the start of January 2020, the coronavirus outbreak, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as to its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown.

The financial impact of the pandemic on the valuation of investment property, financial assets and financial liabilities as at the balance sheet date has been reflected in the financial statements. Having reviewed the trust's financial forecasts and expected future cash flows, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. The trust has access to sufficient liquid reserves to shelter against the impact of the current coronavirus pandemic. Thus the going concern basis has been adopted in preparing the financial statements for the year ended 31 March 2021.

1.3 Charitable funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the Foundation 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.

Donations and other forms of voluntary income are recognised as income when receivable except insofar as they are incapable of financial measurement.

Assets donated to charities are included as income at their open market value.

Income from investments is included in the accounts on a receivable basis.

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as soon as there is a constructive obligation committing the charity to the expenditure. All resources expended are accounted for on an accrual basis. Irrecoverable VAT is charged to the expense to what it relates.

The cost of charitable activities is represented by grants made directly to institutions.

Also included in charitable expenditure are governance costs incurred primarily in meeting with constitutional and statutory requirements.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.7 Financial instruments

The charity 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 charity's balance sheet when charity 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

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

1.8 Taxation

As a registered charity the Society is exempt from taxation on its activities which fall within the scope of Part 10 ITA2007 and section 256 of the Taxation of Chargeable Gains Act 1992.

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 Donations and legacies

	2021 £	2020 £
Gifts made by B.S. Sandhu, P. Sandhu and related parties		
Donations and gifts	50,400	58,000
Voluntary income brought forward	5,033,842	4,975,842
	<u> </u>	<u> </u>
Voluntary income carried forward	5,084,242	5,033,842
	<u> </u>	<u> </u>

Since the Charity was established, Mr. and Mrs. Sandhu and their related parties have made in total donations to the Charity of £5.004 million (2020: £4.954 million) comprising £1.159 million in cash (2020: £1.159 million) and £3.731 million in quoted investments (2020: £3.681 million).

B.S. Sandhu, P. Sandhu and The Santon Group also donate directly to some of the charities with which the Foundation works and The Santon Group provides logistical, administrative, travel and subsistence support to the Foundation on an ex-gratia basis.

4 Investment income

	2021 £	2020 £
Income from listed investments	75,914	140,955
Income from Raven Property Group investment	127,976	121,508
Other interest receivable	33,368	33,753
Interest receivable	3,434	4,907
	<u> </u>	<u> </u>
	240,692	301,123
	<u> </u>	<u> </u>

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	2021 £	2020 £
Grant funding of activities (see note 6)	326,000	321,500
Support costs including governance costs	12,993	10,950
	<u>338,993</u>	<u>332,449</u>

Governance costs include a provision of £3,000 (2019: £2,000) for audit and accounting fees. The balance of the governance costs each year comprised investment management and bank charges.

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Grants payable

	2021 £	2020 £
Grants: Cash Paid		
Anne Frank Trust UK	31,000	34,000
Ehlers-Danlos Support UK	30,000	80,000
Variety, The Children's Charity	25,000	35,000
The Latymer Foundation	22,000	9,000
Helena Kennedy Foundation	15,000	15,000
Carers UK	12,500	-
CASS Business School; City, University of London	10,000	15,000
DEC Coronavirus Appeal	10,000	-
Erskine	10,000	-
Lullaby Trust	10,000	-
Marie Curie	10,000	-
OCD Action	10,000	-
OOSO	10,000	-
Pancreatic Cancer UK	10,000	-
Scar Free Foundation	10,000	-
Prostate Cancer UK	10,000	-
Warwick University	10,000	10,000
Young Enterprise	10,000	-
Dyspraxia Association	8,000	-
Hera	7,500	-
British Heart Foundation	7,500	-
Lochaber Foodbank	6,000	-
Genetics Disorder UK	6,000	-
Shelter	5,000	-
Shooting Star Chase	4,000	3,500
Community Radio Limited	3,000	-
Self Injury Support	3,000	-
Sightsavers	3,000	-
The Elifar Foundation	3,000	3,000
Ruth Strauss Foundation	3,000	3,000
Alive & Kicking	2,500	-
Stroke Association	2,500	5,000
McMillan Cancer Support	2,000	1,000
Mayor's Music Fund	1,000	1,000
Magic Bus UK	-	25,000
LNWH Corona-19 staff appeal	-	25,000
Befriend	-	15,000
Global Gift Foundation	-	11,000
Beefy Foundation	-	10,000
Ealing Food Bank	-	10,000
Coram Beanstalk	-	7,500
Orbis	-	7,000
Ealing Stroke Club	-	5,000
CAFPH	-	2,000
Movember (Prostate Cancer)	-	2,000
Cash paid in year carried forward	322,500	334,000

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Grants payable

(Continued)

	2021 £	2020 £
Cash paid in the year brought forward	322,500	334,000
Commitments utilised in the year:		
Variety, The Children's Charity	(25,000)	(35,000)
Henna Kennedy Foundation	(15,000)	(15,000)
The Latymer Foundation	(15,000)	(9,000)
Cass Business School; City, University of London	(10,000)	(15,000)
Lullaby Trust	(10,000)	-
Prostate Cancer UK	(10,000)	-
The Scar Foundation	(10,000)	-
Warwick University	(10,000)	(10,000)
Anne Frank Trust UK	(6,000)	(34,000)
OCD Action	(5,000)	
Dyspraxia Foundation	(3,000)	
Stroke Association	(2,500)	-
Magic Bus UK	-	(25,000)
Orbis UK	-	(7,000)
Beanstalk	-	(2,500)
CAFPH	-	(2,000)
Mayor's Music Fund	-	(1,000)
	(121,500)	(155,500)
Commitments made in year:		
Variety, The Children's Charity	60,000	-
Henna Kennedy Foundation	30,000	-
Cass Business School; City, University of London	25,000	20,000
Prostate Cancer UK	10,000	-
The Latymer Foundation	-	105,000
Young Enterprise	-	5,000
Scouts	-	5,000
OCD Action	-	5,000
Dyspraxia Foundation	-	3,000
	125,000	143,000
Total Grants payable in the year	326,000	321,500

Since the Foundation was set up it has made donations or commitments to 148 (2020: 137) different charities totalling £3,356,161 (2020: £3,060,161).

A significant number of donations are made on a matched funding basis as one of the aims of the Foundation is to encourage and incentivise others to give.

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. No expenses were charged to the Foundation by the Trustees.

Donations made by B.S. Sandhu and related parties are shown in Note 3.

The Santon Capital plc group, which is owned by B.S. Sandhu, provides offices, staff and administrative support to the Foundation without charge.

Santon Capital Plc provided an interest free loan £350,000 (2020: £250,000) during the year. B.S. Sandhu provided an interest free loan of £5,000 (2020: £5,000) to the Foundation. Both balances remained outstanding as at 31 March 2021.

Contributions totalling £22,000 (2020: £9,000) were paid to The Latymer Foundation to fund a Class of 2026 Bursary, the STEM Academy (for local state primary schools) and general support for its charitable activities. Mr. and Mrs. Sandhu's children attend Latymer Upper School on a full fee paying basis.

8 Employees

There were no employees during the year. The Santon Capital plc group provides administrative support to the Foundation without charge.

9 Net gains/(losses) on investments

	2021	2020
	£	£
Revaluation of investments	946,731	(1,962,704)
Gain/loss on sale of investments	21,854	(6,152)
	<hr/>	<hr/>
Movement in 31 March 2021	968,585	(1,968,856)
	<hr/>	<hr/>
Movement in 31 March 2020		(1,968,856)
		<hr/>

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Fixed asset investments

	2021 £	2020 £
Listed investments	4,206,817	3,095,816
Unlisted investments	576,096	576,096
Investment cash retained	74,098	123,197
	<u>4,857,011</u>	<u>3,795,109</u>
	2021 £	2020 £
Historical cost as at 31 March 2021	<u>5,977,717</u>	<u>5,425,284</u>
Investments held are allocated as follows:		
Equity instruments	4,207,602	3,095,816
Other	575,311	576,096
Cash	74,098	123,197
	<u>4,857,011</u>	<u>3,795,109</u>

During the year, Mr. B. Sandhu transferred 180,000 (2020: 200,000) Ordinary Shares in Raven Property Group Limited to the Charity by way of a gift at market value of £50,400 (2020: £58,000).

Listed investments comprise holdings in ordinary shares, warrants and preference shares in Main Listed Stocks on the London Stock Exchange. Listed investments include an investment of £1.487 million (2020: £1.254 million) in the ordinary shares and preference shares of Raven Property Group Limited.

Movements in fixed asset investments

	2021 £	2020 £
Cost or valuation		
Brought forward	3,795,109	5,465,305
Additions	153,668	1,040,321
Valuation changes	961,743	(1,842,451)
Gifts made to charity at market value	50,400	58,000
Change in brokers' cash accounts	(49,100)	(249,591)
Disposals	(54,809)	(676,475)
	<u>4,857,011</u>	<u>3,795,109</u>
Carrying amount		
At 31 March 2021	<u>4,857,011</u>	<u>3,795,109</u>
At 31 March 2020	<u>3,795,109</u>	<u>5,465,305</u>

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11	Financial instruments	2021	2020
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	275,215	251,831
	Instruments measured at fair value	4,857,011	3,795,109
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	916,822	813,322
		<u> </u>	<u> </u>
12	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Short term loan	275,215	243,228
	Other debtors	-	8,603
		<u> </u>	<u> </u>
		275,215	251,831
		<u> </u>	<u> </u>

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Donations commitments (see below)	307,000	363,500
Connected party loans (see Note 7)	355,000	255,000
Accruals and deferred income	3,822	3,822
	<u>665,822</u>	<u>622,322</u>

Donation Commitments comprise:

	Less than One Year £	More than One Year £	Total £
Ehlers-Danlos Support UK	150,000	-	150,000
The Latymer Foundation	9,000	96,000	105,000
Variety Club, The Children's Charity	35,000	35,000	70,000
Magic Bus UK	33,000	30,000	63,000
Anne Frank Trust UK	25,000	25,000	50,000
CASS Business School	15,000	30,000	45,000
Helena Kennedy Foundation	15,000	15,000	30,000
Scar Foundation	10,000	10,000	20,000
Prostate Cancer UK	5,000	10,000	15,000
Scouts	5,000	-	5,000
Young Enterprise	5,000	-	5,000
	<u>307,000</u>	<u>251,000</u>	<u>558,000</u>
Total Commitments - 31 March 2021	<u>307,000</u>	<u>251,000</u>	<u>558,000</u>
	<u>331,000</u>	<u>236,000</u>	<u>567,000</u>
Total Commitments - 31 March 2020	<u>331,000</u>	<u>236,000</u>	<u>567,000</u>

14 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Donation commitments (see note 13)	<u>251,000</u>	<u>191,000</u>

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Donations to date (2006-2021)

	Cash £	Commitments £	Total £
Variety, The Children's Charity	373,750	70,000	443,750
Anne Frank Trust UK	290,500	50,000	340,500
Ehlers-Danlos Support UK	165,000	150,000	315,000
Magic Bus UK	216,979	63,000	279,979
The Latymer Foundation	117,874	105,000	222,874
Helena Kennedy Foundation	122,000	30,000	152,000
CASS Business School; City, University of London	105,000	45,000	150,000
Young Enterprise	75,000	5,000	80,000
Prostate Cancer UK	60,000	15,000	75,000
The Scar Foundation	35,000	20,000	55,000
Dasra UK	51,000		51,000
Orbis UK	51,000		51,000
Kew Foundation	50,000		50,000
Street Child UK	45,000		45,000
The Family & Relationship Crisis Centre	38,000		38,000
Family for Every Child	30,000		30,000
Florence Kleiner Foundation	30,000		30,000
Unicef UK	30,000		30,000
Warwick Univerity	30,000		30,000
Akshaya Patra Foundation UK	26,000		26,000
LNWH Corona-19	25,000		25,000
Pancreatic Cancer UK	25,000		25,000
Williams Syndrome Foundation	25,000		25,000
Jubilee Box Hill School	24,083		24,083
Coram Beanstalk	22,500		22,500
Durston House Educational Trust	22,500		22,500
Lullaby Trust	21,000		21,000
Erskine	20,000		20,000
Find Your Feet	20,000		20,000
Happy Days Charity	20,000		20,000
Leicestershire County Cricket Club	20,000		20,000
The Stroke Association	18,000		18,000
Leukemia & Lymphoma Research	17,000		17,000
British Heart Foundation	15,225		15,225
Befriend	15,000		15,000
Ealing Food Bank	15,000		15,000
Carers UK	12,500		12,500
CAFPH	12,000		12,000
Global Gift Foundation re Variety	11,000		11,000
Soundseekers	11,000		11,000
GB Childrens Home	10,500		10,500
Beefy Foundation re Yuva Unstoppable	10,000		10,000
DEC Coronavirus Appeal	10,000		10,000
DEC Haiti Appeal	10,000		10,000
LSE Annual Fund	10,000		10,000
Subtotal of donations c/f	2,364,411	553,000	2,917,411

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Donations to date (2006-2021)	(Continued)
Subtotal of donations b/f	2,364,411 553,000 2,917,411
Marie Curie	10,000 10,000
Multiple Sclerosis Society	10,000 10,000
OCD Action	10,000 10,000
OOSO	10,000 10,000
Epilepsy Research UK	9,000 9,000
JET (Joint Educational Trust)	9,000 9,000
The Elifar Foundation	8,500 8,500
Bobath Centre for Children with Cerebral Palsy	8,000 8,000
Dyspraxia Foundation	8,000 8,000
MacMillan Cancer Support	8,000 8,000
Hera	7,500 7,500
Shooting Star Chase	7,500 7,500
British Lung Foundation	7,000 7,000
Blackfriars Settlement	6,502 6,502
Genetics Disorders	6,000 6,000
Lochaber Foodbank	6,000 6,000
Oval Cricket Relief Trust	6,000 6,000
Sands	6,000 6,000
Sightsavers	6,000 6,000
Cure Parkinson Trust	5,600 5,600
Brainstorm	5,000 5,000
Bliss	5,000 5,000
Choices Ealing	5,000 5,000
Coram	5,000 5,000
Cystic Fibrosis	5,000 5,000
DEC Committee – Phillipines	5,000 5,000
Ealing Soup Kitchen	5,000 5,000
Ealing Stroke Club	5,000 5,000
Emmaus Hampshire	5,000 5,000
Enterprise Education	5,000 5,000
Evelina	5,000 5,000
Foundation for The Study of Infant Deaths	5,000 5,000
Friendship Works	5,000 5,000
Give Smart	5,000 5,000
Harrow Aphasia Self Help	5,000 5,000
Helen Rollason Cancer Charity	5,000 5,000
Help for Heroes	5,000 5,000
Interact Reading Limited	5,000 5,000
LEPRA	5,000 5,000
Listening Books	5,000 5,000
Localgiving re Grenfell Tower Appeal	5,000 5,000
Maharaj Duleep Singh Centenary Trust	5,000 5,000
Northwick Park Institute for Medical Research	5,000 5,000
Oxfam re: Ebola	5,000 5,000
Richard House Children's Hospital	5,000 5,000
Scouts	5,000 5,000
Subtotal of donations c/f	2,644,013 558,000 3,202,013

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Donations to date (2006-2021)	(Continued)
Subtotal of donations b/f	2,644,013 558,000 3,202,013
Shelter	5,000 5,000
Smile Train	5,000 5,000
Starfish Greathearts Foundation	5,000 5,000
Starlight Children's Foundation	5,000 5,000
The Ear Foundation	5,000 5,000
The Helping Hands International	5,000 5,000
The Haven	5,000 5,000
Tree of Hope Charity	5,000 5,000
The Big Give Trust re East Africa Appeal	5,000 5,000
Scannappeal (The Bucks Breast Cancer Appeal)	5,000 5,000
St John Southall Green	5,000 5,000
Connect	4,000 4,000
Mayor's Music Fund	4,000 4,000
RNLI	4,000 4,000
Interact Worldwide	3,500 3,500
Motor Neurine Disease Association	3,500 3,500
William Wates Memorial Fund	3,500 3,500
BIBIC	3,000 3,000
Concious Ball re Mental Health Charities	3,000 3,000
London Vision Clinic Foundation	3,000 3,000
MIND	3,000 3,000
Royal Wanstead Children's Hospital	3,000 3,000
Ruth Strauss Foundation	6,000 6,000
Community Radio Limited	3,000 3,000
St. Christopher's Church	3,000 3,000
Save the Children	3,000 3,000
SBSA	3,000 3,000
Self Injury Support	3,000 3,000
The Amy May Trust	3,000 3,000
Movember	3,000 3,000
Alive & Kicking	2,500 2,500
Hatters Explorers Scout Unit	2,500 2,500
Land Aid	2,500 2,500
Anna Wallace re cancer fundraising	2,000 2,000
Cancer Rearch UK	2,000 2,000
Ecology Trust	2,000 2,000
Outward Bound	2,000 2,000
Children's Hospital Trust South Africa	1,500 1,500
Holy Family PTA	1,500 1,500
Right to Play	1,500 1,500
The Streets Ahead Children's Charity	1,500 1,500
Berry's Court School	1,049 1,049
Anaphylaxis Campaign	1,000 1,000
Crisis	1,000 1,000
Georgie's Fund	1,000 1,000
Subtotal of donations c/f	2,789,062 558,000 3,347,062

THE SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Donations to date (2006-2021)	(Continued)		
Subtotal of donations b/f	2,789,062	558,000	3,347,062
Guy's & St Thomas's Charity	1,000		1,000
Harvest India	1,000		1,000
London Legal Trust	1,000		1,000
Mums for Babas	1,000		1,000
Matt Hampson Foundation	1,000		1,000
Maytree Respite centre	1,000		1,000
Pseur (PSP)	1,000		1,000
MK Dons Sports Foundation Trust	1,000		1,000
Sightsavers	1,000		1,000
Lord Mayor's Appeal	100		100
Total donations to date	2,798,161	558,000	3,356,161

16 Related party transactions

Bim Sandhu is an Independent Non-Executive director of AEW UK Reit plc in which the company holds 350,000 Ordinary shares and an Independent Non-Executive director of Africa Logistics Properties Holdings Limited in which the company holds 457,983 US\$ 0.10 Ordinary shares. Both holdings represent less than a 3% interest in the respective companies.

See also note 7 (Trustees).