

The Sanz Foundation
Unaudited Financial Statements
31 March 2021

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
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The Sanz Foundation

Financial Statements

Year ended 31 March 2021

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The Sanz Foundation

Trustees' Annual Report

Year ended 31 March 2021

The trustees 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 The Sanz Foundation

Charity registration number 1129656

Principal office 11 Marston Road
Salford
Manchester
M7 4FG

The trustees

M Berger
H Klein – resigned 10 October 2021
J A Schwartz
D Neuwirth – appointed 10 October 2021

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

The Sanz Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Structure, governance and management

The Sanz Foundation is constituted under a deed dated 01 April 2009. It is a registered charity with a charity number 1129656 and was registered as a charity on 15 May 2009.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

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

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

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

The Sanz Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Objectives and activities

The objects of the charity are (i) to promote the relief of poverty amongst persons of the Jewish Faith, and in particular to provide support for orphans, widows and the destitute and to provide for and assist those who cannot afford basic wedding and living expenses; (ii) to promote, advance and provide strictly orthodox Jewish education and to generally further promote all activities in connection therewith; (iii) to promote and advance religion in accordance with the doctrines and principles of orthodox Judaism; (iv) to further such other charitable purposes at the trustees discretion.

Public benefit

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

Grant making policy

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

There were no individual grants made during the year.

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

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

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

The Sanz Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

The charity received £52,220 in donations during the year and paid out £62,725 by way of grants and support costs that are in line with the objects of the charity. The grants paid out mainly for communal projects or relief of poverty.

The charity also received investment income for the year amounting to £128,205.

The charity incurred governance costs comprising professional fees.

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

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

There were no material fundraising costs during the year.

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

During the year the charity sold a property investment syndicate the details of which can be found on the face of the SOFA and the gain generated as a result of this sale amounted to £90,776.

The overall net income and net movement in funds for the year amounted to £208,476.

The Sanz Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Financial review

Investment performance

The investments of the charity have provided a gross return of 12%.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. The investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk.

The gains made in the year are attributable to improving market conditions.

Reserves policy

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

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

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the current assets of the charity.

The trustees have considered the fair value of the investment property taking into account the loan to value of the properties as well as the nature and exposure of the syndicate properties. The trustees consider the holding value to be the fair value.

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

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future years' expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Coronavirus

The charity has not been materially affected by the coronavirus.

The free reserves, represented by the net current assets of the charity stand at £296,246, all of which are unrestricted.

The trustees' annual report was approved on 13 January 2022 and signed on behalf of the board of trustees by:

J A Schwartz
Trustee

The Sanz Foundation

Independent Examiner's Report to the Trustees of The Sanz Foundation

Year ended 31 March 2021

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

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr Howard Schwalbe ACA

Independent Examiner

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

13 January 2022

The Sanz Foundation

Statement of Financial Activities

Year ended 31 March 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	52,220	78,239
Investment income	5	128,205	97,377
Total income		<u>180,425</u>	<u>175,616</u>
Expenditure			
Expenditure on charitable activities	6,7	62,725	74,894
Total expenditure		<u>62,725</u>	<u>74,894</u>
Net gains on investments	10	90,776	31,118
Net income and net movement in funds		<u>208,476</u>	<u>131,840</u>
Reconciliation of funds			
Total funds brought forward		1,117,639	985,799
Total funds carried forward		<u>1,326,115</u>	<u>1,117,639</u>

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

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

The Sanz Foundation

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	14	1,029,869	1,073,700
Current assets			
Cash at bank and in hand		297,446	45,139
Creditors: amounts falling due within one year	15	<u>1,200</u>	<u>1,200</u>
Net current assets		<u>296,246</u>	<u>43,939</u>
Total assets less current liabilities		<u>1,326,115</u>	<u>1,117,639</u>
Net assets		<u>1,326,115</u>	<u>1,117,639</u>
Funds of the charity			
Unrestricted funds		<u>1,326,115</u>	<u>1,117,639</u>
Total charity funds	16	<u>1,326,115</u>	<u>1,117,639</u>

These financial statements were approved by the board of trustees and authorised for issue on 13 January 2022, and are signed on behalf of the board by:

J A Schwartz
Trustee

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

The Sanz Foundation

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 11 Marston Road, Salford, Manchester, M7 4FG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

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.

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

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

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Investment property

Fixed asset investment

Fixed asset investments, including investment property, are included at market value, where appropriate, at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA. No depreciation is provided on these investments in accordance with FRSSE.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	52,220	52,220	78,239	78,239

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	128,205	128,205	97,322	97,322
Bank interest receivable	—	—	55	55
	128,205	128,205	97,377	97,377

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable grants	61,490	61,490	73,630	73,630
Support costs	1,235	1,235	1,264	1,264
	<u>62,725</u>	<u>62,725</u>	<u>74,894</u>	<u>74,894</u>

7. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	61,490	35	61,525	73,694
Governance costs	–	1,200	1,200	1,200
	<u>61,490</u>	<u>1,235</u>	<u>62,725</u>	<u>74,894</u>

8. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	35	35	64
Governance costs	1,200	1,200	1,200
	<u>1,235</u>	<u>1,235</u>	<u>1,264</u>

9. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Agudat Mosdot Kehilateem Kiryat Sanz	–	20,000
Asser Bishvil Foundation	–	5,000
B C G C T	–	2,000
Bederech Kovod	2,000	–
Broom Foundation	–	1,500
Chasdei Shlomo	–	5,000
Friends Of Sanz	20,000	10,800
Grants under £1,000	2,890	330
Manchester Yeshiva Kollel	–	8,000
Radford Educational Trust	1,600	–
Satmar Kollel	5,000	–
Toldos Avrohom Yitzchok	8,000	–
Tov Vochessed	–	1,000
T T T	22,000	20,000
	<u>61,490</u>	<u>73,630</u>
Total grants	<u>61,490</u>	<u>73,630</u>

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Net gains on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment property	<u>90,776</u>	<u>90,776</u>	<u>31,118</u>	<u>31,118</u>

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>1,200</u>

12. Staff costs

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

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

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

14. Investments

	Investment properties £
Cost or valuation	
At 1 April 2020	1,073,700
Additions	315,335
Disposals	(359,166)
At 31 March 2021	<u>1,029,869</u>
Impairment	
At 1 April 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	<u>1,029,869</u>
At 31 March 2020	<u>1,073,700</u>

All investments shown above are held at valuation.

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

14. Investments *(continued)*

Investment properties

Investment properties comprise seven investments made in property syndicates in the UK. The percentage holding in these syndicates ranges from 2% to 25%. The trustees do not exert any significant influence or control over these investments.

Valuation of the syndicate property is at fair value of the syndicate property and represents capital introduced by the charity into the syndicates plus accrued surpluses less deficiencies but without revaluing the syndicate properties.

Some of the syndicates in which the charity is a participator have borrowings that are secured on the syndicates' properties. The value of the borrowings is limited to the value of the property.

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	<u>1,200</u>	<u>1,200</u>

16. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Mar 2021 £
General funds	<u>1,117,639</u>	<u>180,425</u>	<u>(62,725)</u>	<u>90,776</u>	<u>1,326,115</u>

	At 01 Apr 2019 £	Income £	Expenditure £	Gains and losses £	At 31 Mar 2020 £
General funds	<u>985,799</u>	<u>175,616</u>	<u>(74,894)</u>	<u>31,118</u>	<u>1,117,639</u>

The Sanz Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	1,029,869	1,029,869
Current assets	297,446	297,446
Creditors less than 1 year	(1,200)	(1,200)
Net assets	<u>1,326,115</u>	<u>1,326,115</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	1,073,700	1,073,700
Current assets	45,139	45,139
Creditors less than 1 year	(1,200)	(1,200)
Net assets	<u>1,117,639</u>	<u>1,117,639</u>

18. Related parties

Mr J A Schwartz, trustee of The Sanz Foundation, is also a director and shareholder of CS Party Planning Limited;

During the year CS Party Planning Limited donated £20,000 to The Sanz Foundation.

19. Taxation

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