

SMD FOUNDATION

England & Wales · Charity number 1167956

Details

Status	Registered
Legal form	Charitable company
Company number	09881780
Registered	2016-06-30
Register	View on the Charity Commission register

Contact

Address	77 Windsor Road Prestwich Manchester M25 0DB
Phone	01617401234

Activities

Objects: FOR THE PUBLIC BENEFIT TO PROMOTE THE EDUCATION OF PEOPLE OF ALL AGES AROUND THE WORLD IN SUCH WAYS AS THE CHARITY TRUSTEES THINK FIT, INCLUDING AWARDING TO SUCH PERSONS SCHOLARSHIPS, MAINTENANCE ALLOWANCES OR GRANTS; OR BY GRANTS TO CHARITIES OR OTHER ORGANIZATIONS WORLDWIDE THAT PROVIDE EDUCATION;THE PREVENTION OR RELIEF OF POVERTY OR FINANCIAL HARDSHIP ANYWHERE IN THE WORLD BY PROVIDING: GRANTS OR LOANS TO INDIVIDUALS IN NEED AND/OR CHARITIES, OR OTHER ORGANIZATIONS WORKING TO PREVENT OR RELIEVE POVERTY OR FINANCIAL HARDSHIP; AND TO ADVANCE THE ORTHODOX JEWISH RELIGION WORLDWIDE FOR THE BENEFIT OF THE PUBLIC IN ACCORDANCE WITH THE PRINCIPLES OF THE CODE OF JEWISH LAW (SHULCHAN ARUCH).

Activities: Promoting education, relieving poverty and advancing the Orthodox Jewish religion

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies

Geography

- Bury
- Salford City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-11-30	£223,389	£205,493	-	-
2023-11-30	£412,925	£100,479	-	-
2022-11-30	£243,927	£139,355	-	-
2021-11-30	£235,070	£97,930	-	-
2020-11-30	£120,855	£97,734	-	-

Trustees

Name	Role	Appointed
DAVID SALZMAN		2016-03-14
MARTINE CAMILLE HUPPERT		2016-03-10
SIMON SALZMAN		2016-03-14

SMD FOUNDATION

England & Wales - Charity number 1167956

Accounts

COMPANY REGISTRATION NUMBER: 9881780

CHARITY REGISTRATION NUMBER: 1167956



SMD Foundation

Company Limited by Guarantee
Unaudited Financial Statements
Year ending 30 November 2024



CHARTERED ACCOUNTANTS AND STATUTORY AUDITORY
G A HARRIS & CO. LTD
MR GARY HARRIS
BRULIMAR HOUSE
JUBILEE ROAD
M24 2LX



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Trustees

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 30 November 2024.

Reference and administrative details

Registered charity name

SMD Foundation

Charity registration number

1167956

Company registration number

9881780

Principal office and registered

77 Windsor Road

Prestwich

Manchester

M25 0DB

The trustees

David Salzman

Simon Salzman

Mrs M C Huppert

Independent examiner

Chartered accountants and statutory auditor

G A Harris & Co. LTD

Mr Gary Harris

Brulmilar House

Jubilee Road

Middleton

Manchester

England

M24 2LX

Trustee Profile

Beyond their business ventures, David and Simon are deeply committed to giving back. They are actively involved in numerous charities that support vulnerable families, disadvantaged children, and teenagers within the Salford and Prestwich communities and beyond.

Their greatest joy comes from their family and community work. Their shared passion for business, community service, and family continues to shape their approach to both life and work.

David and Simon are dedicated to charitable initiatives that uplift and empower individuals facing personal, emotional, and social challenges. As Founders and Trustees of the SMD Foundation, and Trustees of Sheves Youth Organisation, Panim Meiros Seminary, and The Decoy Trust, they channel their time, resources, and vision into creating meaningful opportunities for children, young adults, and families in need.

They also play a longstanding role in the Woodland Wellbeing Trust, where their support has helped hundreds of individuals benefit from Animal Assisted Therapy.





Structure, governance and management

SMD Foundation is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 20 November 2015 as a company and the company number is 9881780. It was registered as a charity on 30 June 2016 with a charity number 1167956.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association 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 Simon Salzman 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

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.

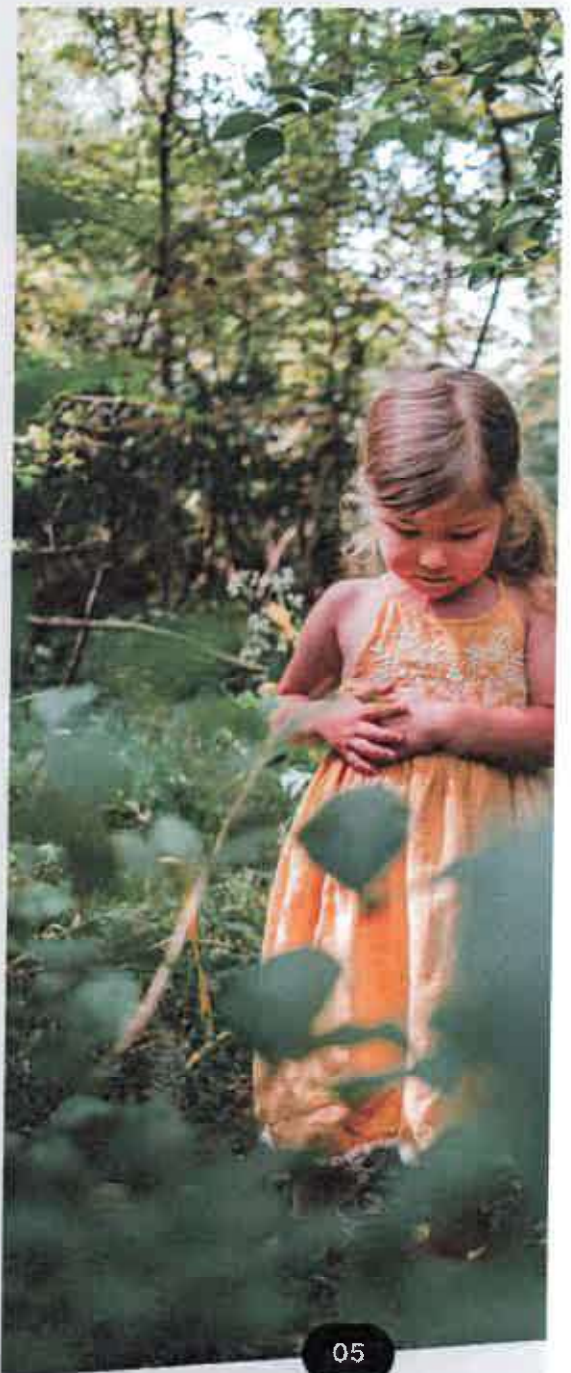
Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

Objectives and activities

The objects of the charity are: (1) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education; (2) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship; (3) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).

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.





Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Chair's Statement - Mr David Salzman

"I am incredibly proud of the strides SMD Foundation has made this past year. Our commitment to education, poverty alleviation, and community support continues to grow stronger.

As we look ahead, we are excited to aim to triple our impact in the coming year. I deeply believe in the importance of helping vulnerable youth get ahead in life, empowering them to fight their own drawbacks, stigmas, and fears. By equipping these youth with the tools and confidence to overcome their past struggles, we are giving them the opportunity to build a brighter, more fulfilling future."

Mission Statement

The SMD Foundation transforms lives by enhancing mental and physical wellbeing, empowering vulnerable youth, and providing financial support to those in need. We create opportunities that foster resilience and personal growth, ensuring individuals have the resources for a brighter future.



Strategic Aims of SMD Foundation:

Empowering Vulnerable Youth:

- 1 Our goal is to empower young individuals, particularly those facing significant challenges, by providing them with the tools, education, and support needed to overcome obstacles and achieve personal success. This includes comprehensive programs designed to build confidence, develop skills, and create opportunities for them to thrive.
-

Enhancing Mental and Physical Wellbeing:

- 2 We are committed to improving the mental and physical wellbeing of individuals in our communities. Through targeted interventions, access to quality healthcare, and supportive environments, we aim to address mental health challenges, promote healthy lifestyles, and reduce barriers to wellness.
-

Financial Support and Relief:

- 3 We strive to alleviate financial burdens for those in need, offering grants, and direct financial support to help individuals and families overcome economic hardships. Our aim is to provide a safety net that allows recipients to focus on personal growth and stability without the overwhelming stress of financial insecurity.
-

Our Core Values



Empowerment

- 1 We believe in empowering individuals, especially vulnerable youth, to overcome challenges and reach their full potential. By providing the necessary support, resources, and opportunities, we help them build confidence, resilience, and the skills needed to succeed.
-



Compassionate Support

- 2 Our commitment is to deliver compassionate, personalised support that addresses both the immediate needs and long-term wellbeing of those we serve. We strive to create a nurturing environment that fosters healing, growth, and a sense of belonging.
-



Community Impact

- 3 We are dedicated to making a meaningful impact in our communities by addressing critical needs through strategic funding and initiatives. Our work is driven by a focus on improving lives, promoting wellness, and creating opportunities that benefit individuals and communities alike.



Grant making policy

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

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.

Independent examiner's statement

I report to the trustees on my examination of the financial statements of SMD FOUNDATION ('the charity') for the year ended 30 November 2024.

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.

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.



Gary Harris FCA

G A Harris & Co. LTD Independent Examiner
Brulimar House Jubilee Road, Middleton, Manchester England
M24 2LX

30th September 2025

SMD FOUNDATION

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2024

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The charity received £121,645 (2023: £329,965) in donations during the year. The charity paid out £148,483 (2023: £73,187) by way of grants and support costs. These grants were made in line with the stated objects of the charity and relate to religious purposes, educational purposes as well as relief of poverty purposes. The charity also received £101,744 (2023: £82,960) in investment income during the year as well as investment management costs amounting to £57,009 (2023: £27,292). 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. There were no material fundraising costs during the year. Related party transactions are disclosed as applicable in the notes to the accounts. There was an overall net income and net movement in funds for the year amounting to £17,897 (2023: £312,446).

Financial review

Investment performance

The investments of the charity have provided a gross return of 6% (2023: 5%) in the year. This is acceptable when compared to returns from bank deposits, for which returns are far lower and do not take into account any capital growth potential. The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These property investment returns are not at the expense of any exposure of loan-to-value covenants that would put these investments at risk.

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 roughly equal to the net 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 free reserves, represented by the net current assets, of the charity amounted to £74,173 (2023: £43,323), all of which are unrestricted.

The trustees' annual report and the strategic report were approved on 30 September 2025 and signed on behalf of the board of trustees by:



Simon Salzman
Trustee

Statements

SMD FOUNDATION

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 30 November 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	121,645	121,645	329,965
Investment income	6	101,744	101,744	82,960
Total income		<u>223,389</u>	<u>223,389</u>	<u>412,925</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	57,009	57,009	27,292
Expenditure on charitable activities	8,9	148,484	148,484	73,187
Total expenditure		<u>205,493</u>	<u>205,493</u>	<u>100,479</u>
Net income and net movement in funds		<u>17,896</u>	<u>17,896</u>	<u>312,446</u>
Reconciliation of funds				
Total funds brought forward		1,038,964	1,038,964	726,518
Total funds carried forward		<u>1,056,860</u>	<u>1,056,860</u>	<u>1,038,964</u>

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

SMD FOUNDATION

Company Limited by Guarantee

Statement of Financial Position

30 November 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	13	1,661,047	1,585,119
Current assets			
Debtors	14	60,904	30,904
Cash at bank and in hand		78,118	88,870
		<u>139,022</u>	<u>119,774</u>
Creditors: amounts falling due within one year	15	64,849	76,451
Net current assets		<u>74,173</u>	<u>43,323</u>
Total assets less current liabilities		<u>1,735,220</u>	<u>1,628,442</u>
Creditors: amounts falling due after more than one year	16	678,360	589,478
Net assets		<u>1,056,860</u>	<u>1,038,964</u>
Funds of the charity			
Unrestricted funds		1,056,860	1,038,964
Total charity funds	17	<u>1,056,860</u>	<u>1,038,964</u>

For the year ending 30 November 2024 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 30 September 2025, and are signed on behalf of the board by:



Simon Salzman
Trustee

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 77 Windsor Road, Prestwich, Manchester, M25 0DB.

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 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.

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 besides the valuation of fixed asset investments at the year end.

Fund accounting:

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects 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 2 subclasses; restricted income funds or endowment funds.

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses



SMD FOUNDATION

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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.

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.

SMD FOUNDATION

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

SMD Foundation is a registered charity and a company limited by guarantee that does not have any share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations	121,645	121,645	329,965	329,965

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Income from investment properties	101,744	101,744	82,960	82,960

7. Investment management costs

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Property repairs and maintenance charges	57,009	57,009	27,292	27,292

SMD FOUNDATION

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Charitable expenditure	139,504	139,504	67,797	67,797
Support costs	8,980	8,980	5,390	5,390
	<u>148,484</u>	<u>148,484</u>	<u>73,187</u>	<u>73,187</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Charitable expenditure	139,504	–	139,504	67,797
Governance costs	–	8,980	8,980	5,390
	<u>139,504</u>	<u>8,980</u>	<u>148,484</u>	<u>73,187</u>

10. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,080</u>	<u>1,440</u>

11. Staff costs

The average head count of employees during the year was 1 (2023: 1).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

12. Trustee remuneration and expenses

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

SMD FOUNDATION

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

13. Tangible fixed assets

	Long leasehold property £
Cost	
At 1 December 2023	1,585,119
Additions	75,928
At 30 November 2024	<u>1,661,047</u>
Depreciation	
At 1 December 2023 and 30 November 2024	—
Carrying amount	
At 30 November 2024	1,661,047
At 30 November 2023	<u>1,585,119</u>

14. Debtors

	2024 £	2023 £
Other debtors	<u>60,904</u>	<u>30,904</u>

15. Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans and overdrafts	—	4,777
Trade creditors	21,882	22,633
Accruals and deferred income	1,080	2,520
Other creditors	41,887	46,521
	<u>64,849</u>	<u>76,451</u>

16. Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loans and overdrafts	478,600	362,083
Loans	199,760	227,395
	<u>678,360</u>	<u>589,478</u>

Bank loans and overdrafts are secured on the investment property of the charity.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

17. Analysis of charitable funds

Unrestricted funds

	At 1 December 2023 £	Income £	Expenditure £	At 30 November r 2024 £
General funds	1,038,964	223,389	(205,493)	1,056,860

	At 1 December 2022 £	Income £	Expenditure £	At 30 November 2023 £
General funds	726,518	412,925	(100,479)	1,038,964

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	1,661,047	1,661,047
Current assets	139,022	139,022
Creditors less than 1 year	(64,849)	(64,849)
Creditors greater than 1 year	(678,360)	(678,360)
Net assets	1,056,860	1,056,860

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,585,119	1,585,119
Current assets	119,774	119,774
Creditors less than 1 year	(76,451)	(76,451)
Creditors greater than 1 year	(589,478)	(589,478)
Net assets	1,038,964	1,038,964

19. Related parties

Mr S Salzman and Mr D Salzman, trustees of SMD Foundation, are also directors and shareholders of the following companies: Cityview Management (UK) Ltd; Wavertree Estates Ltd; Cityview Estates Ltd; S Halpern Ltd; Valleyview Estates Ltd; Ribble Real Estates Ltd; Springfield Manchester Ltd; Castlevue Estates UK Ltd; Jubilee Properties Limited; Newcroft Trading Ltd. Donations to SMD Foundation during the year include amounts totalling £57,900 (2023: £282,166) received from some of the above-named companies. Mrs R Salzman, wife of Mr D Salzman, trustee of the charity, is also a director and shareholder of Bird ITH Cottages Ltd and Coppice Estates. During the year, Bird ITH Cottages Ltd and Coppice Estates together donated £23,018 (2023: £16,806) to the charity. SMD Foundation has borrowed from some of the above-named companies on an interest-free basis. The balance of the outstanding loans at the year end is £222,070 (2023: £208,756).

SMD FOUNDATION

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2024

20 Analysis of Grants

Grants to Institution

	<u>2024</u>	<u>2023</u>
BDERECH KOVOD	4,500	5,072
BRITISH FRIENDS OF MEOR	5,900	
KEREN HAYELED	3,000	
GATESHEAD TALMUDICAL COLLEGE	2,000	3,000
ATETRES YOEL	1,400	
KUPAT YISMACH LEV	1,000	
CHOIMEL DALIM	1,000	
OTHER		
DONATIONS	17,848	20,292
LUBAVITCH SCHOOLS		1,250
KESSER CHARITIES		10,000
	<u>36,648</u>	<u>39,614</u>



SMD Foundation

SMD FOUNDATION

England & Wales - Charity number 1167956

Accounts

COMPANY REGISTRATION NUMBER: 9881780

CHARITY REGISTRATION NUMBER: 1167956

Where every person deserves a place to shine

SMD Foundation

Company Limited by Guarantee
Unaudited Financial Statements
30 November 2023

HAFFNER HOFF LTD

ACCOUNTANTS
2ND FLOOR - PARKGATES
BURY NEW ROAD
PRESTWICH MANCHESTER M25 0TL



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Trustees ✦

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 30 November 2023.

Reference and administrative details

Registered charity name

SMD Foundation

Charity registration number

1167956

Company registration number

9881780

Principal office and registered

77 Windsor Road

Prestwich

Manchester

M25 0DB

The trustees

David Salzman

Simon Salzman

Mrs M C Huppert

Independent examiner

Mr Howard Schwalbe ACA

2nd Floor – Parkgates

Bury New Road

Prestwich

Manchester

M25 0TL



Structure, governance and management ♦

SMD Foundation is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 20 November 2015 as a company and the company number is 9881780. It was registered as a charity on 30 June 2016 with a charity number 1167956. Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association 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 Simon Salzman 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



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.

Objectives and activities

The objects of the charity are: (1) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education; (2) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship; (3) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).



◆ 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 investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals 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.

Strategic report ✦

The following sections for achievements and performance and financial review form the strategic report of the charity.



✦ Chair's Statement – Mr David Salzman

"I am incredibly proud of the strides SMD Foundation has made this past year. Our commitment to education, poverty alleviation, and community support continues to grow stronger. In particular, our aspiration for the new project – Hope For Teens – has already positively impacted the lives of 30 young ladies, providing them with the support they need to overcome significant challenges. As we look ahead, we are excited to aim to triple our impact in the coming year. I deeply believe in the importance of helping vulnerable young women get ahead in life, empowering them to fight their own drawbacks, stigmas, and fears. By equipping these young women with the tools and confidence to overcome their past struggles, we are giving them the opportunity to build a brighter, more fulfilling future."

✦ Mission Statement

The SMD Foundation transforms lives by enhancing mental and physical wellbeing, empowering vulnerable youth, and providing financial support to those in need. We create opportunities that foster resilience and personal growth, ensuring individuals have the resources for a brighter future.

The new program, Hope For Teens, focuses on teen girls in crisis, offering programs that address their emotional, educational, and social needs to empower them to overcome challenges and thrive.



Strategic Planning for Nonprofit Organizations



Strategic Aims of SMD Foundation:

Empowering Vulnerable Youth:

1 Our goal is to empower young individuals, particularly those facing significant challenges, by providing them with the tools, education, and support needed to overcome obstacles and achieve personal success. This includes comprehensive programs designed to build confidence, develop skills, and create opportunities for them to thrive.

Enhancing Mental and Physical Wellbeing:

2 We are committed to improving the mental and physical wellbeing of individuals in our communities. Through targeted interventions, access to quality healthcare, and supportive environments, we aim to address mental health challenges, promote healthy lifestyles, and reduce barriers to wellness.

Financial Support and Relief:

3 We strive to alleviate financial burdens for those in need, offering grants, and direct financial support to help individuals and families overcome economic hardships. Our aim is to provide a safety net that allows recipients to focus on personal growth and stability without the overwhelming stress of financial insecurity.



Aims

These aims reflect a comprehensive approach to improving lives, fostering resilience, and enabling success across various dimensions of wellbeing and empowerment.

The charity received £329,965 in donations during the year. The charity paid out £73,187 by way of grants and support costs. These grants were made in line with the stated objects of the charity and relate to religious purposes, educational purposes as well as relief of poverty purposes.

The charity also received £82,960 in investment income during the year as well as investment management costs amounting to £27,292.

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.

There were no material fundraising costs during the year.

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

There was an overall net income and net movement in funds for the year amounting to £312,446.



Financial review

Investment performance

The investments of the charity have provided a gross return of 5% in the year. This is acceptable when compared to returns from bank deposits for which returns are far lower and do not take into account any capital growth potential.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These property investment returns are not at the expense of any exposure of loan to value covenants that would put these investments at risk. Additionally, the trustees hope that the shares will rise in value in the future.

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 roughly equal to the net 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 free reserves, represented by the net current assets, of the charity amounted to £43,323, all of which are unrestricted.



Plans for future periods ✦

Hope For Teens Program

Hope For Teens is dedicated to supporting teen girls facing various challenges, such as personal difficulties, trauma, and homelessness. SMD Foundation has supported and continues to support this project by facilitating the establishment of and maintenance of key programs.

Key programs include:

Residential Program: Offers a stable environment for teens without a secure home.

Mentoring: Provides one-on-one support through mature role models.

Health & Wellbeing: Incorporates outdoor activities, soft skill learning, group peer mentoring and highly specialised therapeutic services. **Educational Support:** Offers workshops and career guidance to foster academic and personal growth.

Our Core Values



Empowerment

- 1 We believe in empowering individuals, especially vulnerable youth, to overcome challenges and reach their full potential. By providing the necessary support, resources, and opportunities, we help them build confidence, resilience, and the skills needed to succeed.



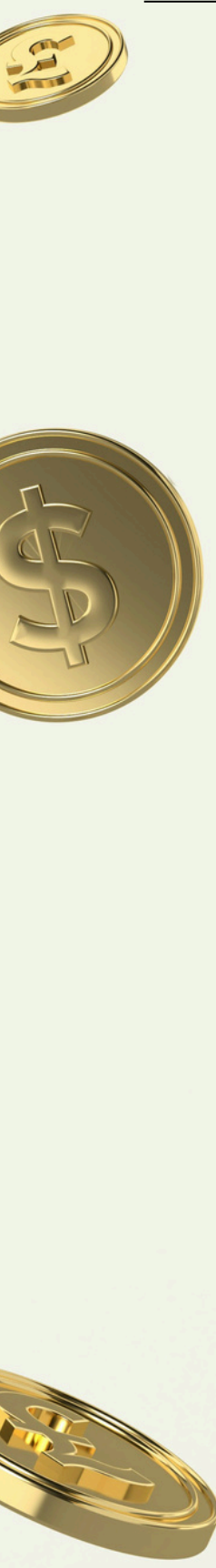
Compassionate Support

- 2 Our commitment is to deliver compassionate, personalised support that addresses both the immediate needs and long-term wellbeing of those we serve. We strive to create a nurturing environment that fosters healing, growth, and a sense of belonging.



Community Impact

- 3 We are dedicated to making a meaningful impact in our communities by addressing critical needs through strategic funding and initiatives. Our work is driven by a focus on improving lives, promoting wellness, and creating opportunities that benefit individuals and communities alike.



Looking Ahead ✦

SMD Foundation, through its visionary initiative Hope For Teens, is on an exciting journey to dramatically expand its impact and reach even more teens in need. With a bold and hopeful vision for the future, we are committed to evolving and enhancing our programs to ensure that no young person is left behind. Our focus is on breaking down barriers to access, providing essential services that are often out of reach for vulnerable teens, and creating a comprehensive support system that addresses their emotional, educational, and social needs.

We are driven by the belief that every young person deserves the opportunity to thrive, and we are dedicated to opening doors to brighter futures. By expanding educational opportunities, we aim to equip teens with the skills and knowledge they need to succeed in life, empowering them to overcome challenges and pursue their dreams. Our nurturing environment will continue to be a cornerstone of our approach, offering a safe space where teens can heal, grow, and build the resilience needed to face life's hurdles.

As we look ahead, our vision is clear: to touch more lives, inspire hope, and be a catalyst for lasting change.

Hope For Teens is not just a program; it is a movement that embodies the spirit of transformation, resilience, and unwavering support.

We are excited to be on this journey, and we are committed to making a profound difference in the lives of teens, helping them to rewrite their stories and achieve their fullest potential. We are reaching out to other charities and community bodies to help us achieve this exalted vision. Together, we will build a future filled with hope, opportunity, and limitless possibilities.

The trustees' annual report and the strategic report were approved on 20 August 2024 and signed on behalf of the board of trustees by:

David Salzman
Trustee

Simon Salzman
Trustee

Independent examiner's statement



I report to the trustees on my examination of the financial statements of SMD Foundation ('the charity') for the year ended 30 November 2023.

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.

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.



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.

Mr Howard Schwalbe ACA
Independent Examiner

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

20 August 2024

Statements

		2023		2022
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies	5	329,965	329,965	179,617
Investment income	6	82,960	82,960	64,310
Total income		<u>412,925</u>	<u>412,925</u>	<u>243,927</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	27,292	27,292	46,241
Expenditure on charitable activities	8,9	73,187	73,187	93,114
Total expenditure		<u>100,479</u>	<u>100,479</u>	<u>139,355</u>
Net income and net movement in funds		<u>312,446</u>	<u>312,446</u>	<u>104,572</u>
Reconciliation of funds				
Total funds brought forward		<u>726,518</u>	<u>726,518</u>	<u>621,946</u>
Total funds carried forward		<u>1,038,964</u>	<u>1,038,964</u>	<u>726,518</u>

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

	Note	2023 £	2022 £
Fixed assets			
Investments	15	1,585,119	1,398,236
Current assets			
Debtors	16	30,904	20,600
Cash at bank and in hand		88,870	64,242
		<u>119,774</u>	<u>84,842</u>
Creditors: amounts falling due within one year	17	<u>76,451</u>	<u>69,094</u>
Net current assets		<u>43,323</u>	<u>15,748</u>
Total assets less current liabilities		<u>1,628,442</u>	<u>1,413,984</u>
Creditors: amounts falling due after more than one year	18	<u>589,478</u>	<u>687,466</u>
Net assets		<u>1,038,964</u>	<u>726,518</u>
Funds of the charity			
Unrestricted funds		<u>1,038,964</u>	<u>726,518</u>
Total charity funds	19	<u>1,038,964</u>	<u>726,518</u>

For the year ending 30 November 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

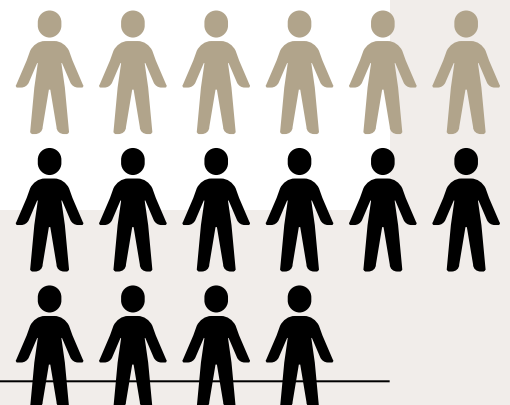
Directors' responsibilities:

- 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 20 August 2024, and are signed on behalf of the board by:

S Salzman
Trustee



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 77 Windsor Road, Prestwich, Manchester, M25 0DB.



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 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.

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 besides the valuation of fixed asset investments at the year end.

Fund accounting: Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

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.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

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.

Debt instruments are subsequently measured at amortised cost.



Trustees ✦

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 30 November 2023.

Reference and administrative details

Registered charity name

SMD Foundation

Charity registration number

1167956

Company registration number

9881780

Principal office and registered

77 Windsor Road

Prestwich

Manchester

M25 0DB

The trustees

Mrs M C Huppert

David Salzman

Salzman Salzman

Independent examiner

Mr Howard Schwalbe ACA

2nd Floor - Parkgates

Bury New Road

Prestwich

Manchester

M25 0TL

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. Limited by guarantee

SMD Foundation is a registered charity and a company limited by guarantee that does not have any share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	329,965	329,965	179,617	179,617

6. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	82,960	82,960	64,310	64,310

7. Investment management costs

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Property repairs and maintenance charges	27,292	27,292	46,241	46,241

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable grants	39,614	39,614	78,747	78,747
Start the Day	4,970	4,970	3,133	3,133
Support costs	28,603	28,603	11,234	11,234
	<u>73,187</u>	<u>73,187</u>	<u>93,114</u>	<u>93,114</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable grants	–	39,614	23,213	62,827	87,787
Start the Day	4,970	–	–	4,970	3,133
Governance costs	–	–	5,390	5,390	2,194
	<u>4,970</u>	<u>39,614</u>	<u>28,603</u>	<u>73,187</u>	<u>93,114</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
General office	23,214	23,214	9,039
Governance costs	5,389	5,389	2,195
	<u>28,603</u>	<u>28,603</u>	<u>11,234</u>

11. Analysis of grants

	2023	2022
	£	£
Grants to institutions		
Bederech Kovod	5,072	6,000
Beis Yaakov Jewish High School	–	5,000
Choimel Dalim	–	6,600
Gateshead Talmudical College	3,000	2,000
Grants under £1,000	12,906	16,750
Kesser Charities	10,000	–
Lubavitch Schools	1,250	–
Other charitable grants	7,386	4,800
Tschabe Kolllel	–	2,500
The Mentoring Centre	–	33,847
Yesoidei Hatorah School	–	1,250
	<u>39,614</u>	<u>78,747</u>
Total grants	<u>39,614</u>	<u>78,747</u>

12. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,440</u>	<u>1,440</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	<u>3,061</u>	<u>–</u>

The average head count of employees during the year was 1 (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

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

15. Investments

	Investment properties £
Cost or valuation	
At 1 December 2022	1,398,236
Additions	<u>186,883</u>
At 30 November 2023	1,585,119
Impairment	
At 1 December 2022 and 30 November 2023	
Carrying amount	
At 30 November 2023	1,585,119
At 30 November 2022	<u>1,398,236</u>

All investments shown above are held at valuation.

Investment properties

Investment properties represent seven wholly owned properties, three of which were purchased in the year, that are recorded at fair value in the opinion of the trustees at the balance sheet date.

16. Debtors

	2023	2022
	£	£
Other debtors	<u>30,904</u>	<u>20,600</u>

17. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	4,777	–
Trade creditors	22,633	13,539
Accruals and deferred income	2,520	2,520
Other creditors	<u>46,521</u>	<u>53,035</u>
	<u>76,451</u>	<u>69,094</u>

Bank loans and overdrafts are secured on the investment property of the charity.

18. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	362,083	380,340
Loans	227,395	307,126
	589,478	687,466

Bank loans and overdrafts are secured on the investment property of the charity.

19. Analysis of charitable funds

Unrestricted funds

	At 01			At 30
	Dec 2022	Income	Expenditure	Nov 2023
	£	£	£	£
General funds	726,518	412,925	(100,479)	1,038,964

	At 01			At 30
	Dec 2021	Income	Expenditure	Nov 2022
	£	£	£	£
General funds	621,946	243,927	(139,355)	726,518

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Investments	1,585,119	1,585,119
Current assets	119,774	119,774
Creditors less than 1 year	(76,451)	(76,451)
Creditors greater than 1 year	(589,478)	(589,478)
Net assets	1,038,964	1,038,964

	Unrestricted Funds £	Total Funds 2022 £
Investments	1,398,236	1,398,236
Current assets	84,842	84,842
Creditors less than 1 year	(69,094)	(69,094)
Creditors greater than 1 year	(687,466)	(687,466)
Net assets	726,518	726,518

Related parties

Mr Simon Salzman and Mr David Salzman, trustees of SMD Foundation, are also directors and shareholders of the following companies:

- Cityview Management (UK) Ltd;
- Wavertree Estates Ltd;
- Cityview Estates Ltd;
- S Halpern Ltd;
- Valleyview Estates Ltd;
- Ribble Real Estates Ltd;
- Springfield Manchester Ltd;
- Castleview Estates UK Ltd;
- Hazelroyd Ltd.
- Newcroft Trading Ltd.

Donations to SMD Foundation during the year include amounts totaling £282,166 received from some of the above-named companies.

Mrs Rosa Salzman, wife of Mr David Salzman, trustee of the charity is also a director and shareholder of Bird ITH Cottages Ltd and Coppice Estates. During the year, Bird ITH Cottages Ltd and Coppice Estates together donated £16,806 to the charity. In a previous year, Bird ITH Cottages Ltd lent £3,237 to SMD Foundation on an interest free basis. This was repaid during the year, and the charity is now owed £3,660 by Bird ITH.

In a previous year SMD Foundation borrowed from some of the above-named companies aggregated to the value of £304,871 on an interest free basis. The balance of the outstanding loans at the year-end is £208,756.

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



SMD FOUNDATION

UNAUDITED FINANCIAL STATEMENTS

30 NOVEMBER 2023



Where every person deserves a place to shine

SMD FOUNDATION

England & Wales - Charity number 1167956

Accounts

COMPANY REGISTRATION NUMBER: 9881780
CHARITY REGISTRATION NUMBER: 1167956

SMD Foundation
Company Limited by Guarantee
Unaudited Financial Statements
30 November 2022

HAFFNER HOFF LTD

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

SMD Foundation

Company Limited by Guarantee

Financial Statements

Year ended 30 November 2022

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SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 November 2022

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 30 November 2022.

Reference and administrative details

Registered charity name	SMD Foundation
Charity registration number	1167956
Company registration number	9881780
Principal office and registered office	77 Windsor Road Prestwich Manchester M25 0DB
The trustees	Mrs M C Huppert D Salzman S Salzman
Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2022

Structure, governance and management

SMD Foundation is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 20 November 2015 as a company and the company number is 9881780. It was registered as a charity on 30 June 2016 with a charity number 1167956.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association 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 S Salzman 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.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2022

Objectives and activities

The objects of the charity are: (1) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education; (2) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship; (3) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).

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 investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals 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.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2022

Achievements and performance

The charity received £179,617 in donations during the year. The charity paid out £93,114 by way of grants and support costs. These grants were made in line with the stated objects of the charity and relate to religious purposes, educational purposes as well as relief of poverty purposes.

The charity also received £64,310 in investment income during the year as well as investment management costs amounting to £46,241.

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.

There were no material fundraising costs during the year.

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

There was an overall net income and net movement in funds for the year amounting to £104,572.

Financial review

Investment performance

The investments of the charity have provided a gross return of 5% in the year. This is acceptable when compared to returns from bank deposits for which returns are far lower and do not take into account any capital growth potential.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These property investment returns are not at the expense of any exposure of loan to value covenants that would put these investments at risk. Additionally, the trustees hope that the shares will rise in value in the future.

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 roughly equal to the net 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 free reserves, represented by the net current assets, of the charity amounted to £15,748, all of which are unrestricted.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2022

The trustees' annual report and the strategic report were approved on 3 November 2023 and signed on behalf of the board of trustees by:

S Salzman
Trustee

SMD Foundation

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of SMD Foundation

Year ended 30 November 2022

I report to the trustees on my examination of the financial statements of SMD Foundation ('the charity') for the year ended 30 November 2022.

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.

Mr Howard Schwalbe ACA

Independent Examiner

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

3 November 2023

SMD Foundation

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 November 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	179,617	179,617	199,506
Investment income	6	64,310	64,310	35,564
Total income		<u>243,927</u>	<u>243,927</u>	<u>235,070</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	46,241	46,241	29,141
Expenditure on charitable activities	8,9	93,114	93,114	68,789
Total expenditure		<u>139,355</u>	<u>139,355</u>	<u>97,930</u>
Net income and net movement in funds		<u>104,572</u>	<u>104,572</u>	<u>137,140</u>
Reconciliation of funds				
Total funds brought forward		621,946	621,946	484,806
Total funds carried forward		<u>726,518</u>	<u>726,518</u>	<u>621,946</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 10 to 19 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Statement of Financial Position

30 November 2022

	Note	2022 £	£	2021 £
Fixed assets				
Investments	15		1,398,236	1,304,010
Current assets				
Debtors	16	20,600		20,600
Cash at bank and in hand		64,242		73,788
		<u>84,842</u>		<u>94,388</u>
Creditors: amounts falling due within one year	17	<u>69,094</u>		<u>58,192</u>
Net current assets			<u>15,748</u>	<u>36,196</u>
Total assets less current liabilities			<u>1,413,984</u>	<u>1,340,206</u>
Creditors: amounts falling due after more than one year	18		<u>687,466</u>	<u>718,260</u>
Net assets			<u>726,518</u>	<u>621,946</u>
Funds of the charity				
Unrestricted funds			<u>726,518</u>	<u>621,946</u>
Total charity funds	19		<u>726,518</u>	<u>621,946</u>

For the year ending 30 November 2022 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.

The statement of financial position
continues on the following page.

The notes on pages 10 to 19 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Statement of Financial Position *(continued)*

30 November 2022

These financial statements were approved by the board of trustees and authorised for issue on 3 November 2023, and are signed on behalf of the board by:

S Salzman
Trustee

The notes on pages 10 to 19 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 November 2022

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 77 Windsor Road, Prestwich, Manchester, M25 0DB.

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 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.

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 besides the valuation of fixed asset investments at the year end.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

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.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

3. Accounting policies *(continued)*

Investments *(continued)*

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

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.

Debt instruments are subsequently measured at amortised cost.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

SMD Foundation is a registered charity and a company limited by guarantee that does not have any share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	179,617	–	179,617
Grants			
Grants receivable	–	–	–
	<u>179,617</u>	<u>–</u>	<u>179,617</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	189,506	–	189,506
Grants			
Grants receivable	–	10,000	10,000
	<u>189,506</u>	<u>10,000</u>	<u>199,506</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	<u>64,310</u>	<u>64,310</u>	<u>35,564</u>	<u>35,564</u>

7. Investment management costs

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Property repairs and maintenance charges	<u>46,241</u>	<u>46,241</u>	<u>29,141</u>	<u>29,141</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable grants	78,747	–	78,747
Start the Day	3,133	–	3,133
Support costs	11,234	–	11,234
	<u>93,114</u>	<u>–</u>	<u>93,114</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable grants	44,251	–	44,251
Start the Day	–	7,389	7,389
Support costs	14,538	2,611	17,149
	<u>58,789</u>	<u>10,000</u>	<u>68,789</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charitable grants	–	78,747	9,040	87,787	60,080
Start the Day	3,133	–	–	3,133	7,389
Governance costs	–	–	2,194	2,194	1,320
	<u>3,133</u>	<u>78,747</u>	<u>11,234</u>	<u>93,114</u>	<u>68,789</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
General office	9,039	9,039	14,364
Finance costs	–	–	1,465
Governance costs	2,195	2,195	1,320
	<u>11,234</u>	<u>11,234</u>	<u>17,149</u>

11. Analysis of grants

	2022 £	2021 £
Grants to institutions		
Bederech Kovod	6,000	–
Beis Yaakov Jewish High School	5,000	6,000
Chabad Liverpool	–	5,000
Choimel Dalim	6,600	–
Gateshead Talmudical College	2,000	–
Grants under £1,000	16,750	13,298
Keren Haya'eled	–	1,188
Kids Care London	–	1,000
Manchester Hachnosas Kallo'oh	–	1,685
Other charitable grants	4,800	5,000
Tschabe Kollel	2,500	–
The Mentoring Centre	33,847	–
Y A M F	–	5,130
Yeshivas Nezer Hatorah	–	5,950
Yesodei Hatorah School	1,250	–
	<u>78,747</u>	<u>44,251</u>
Total grants	<u>78,747</u>	<u>44,251</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

12. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,440</u>	<u>1,320</u>

13. Staff costs

The average head count of employees during the year was Nil (2021: Nil).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

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

15. Investments

	Investment properties £
Cost or valuation	
At 1 December 2021	1,304,010
Additions	94,226
At 30 November 2022	<u>1,398,236</u>
Impairment	
At 1 December 2021 and 30 November 2022	
Carrying amount	
At 30 November 2022	<u>1,398,236</u>
At 30 November 2021	<u>1,304,010</u>

All investments shown above are held at valuation.

Investment properties

Investment properties represent seven wholly owned properties, three of which were purchased in the year, that are recorded at fair value in the opinion of the trustees at the balance sheet date.

16. Debtors

	2022	2021
	£	£
Other debtors	<u>20,600</u>	<u>20,600</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	–	31,995
Trade creditors	13,539	10,135
Accruals and deferred income	2,520	1,320
Other creditors	53,035	14,742
	<u>69,094</u>	<u>58,192</u>

Bank loans and overdrafts are secured on the investment property of the charity.

18. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	380,340	379,264
Loans	307,126	338,996
	<u>687,466</u>	<u>718,260</u>

Bank loans and overdrafts are secured on the investment property of the charity.

19. Analysis of charitable funds

Unrestricted funds

	At 01 Dec 2021	Income	Expenditure	At 30 Nov 2022
	£	£	£	£
General funds	<u>621,946</u>	<u>243,927</u>	<u>(139,355)</u>	<u>726,518</u>

	At 01 Dec 2020	Income	Expenditure	At 30 Nov 2021
	£	£	£	£
General funds	<u>484,806</u>	<u>225,070</u>	<u>(87,930)</u>	<u>621,946</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Investments	1,398,236	1,398,236
Current assets	84,842	84,842
Creditors less than 1 year	(69,094)	(69,094)
Creditors greater than 1 year	(687,466)	(687,466)
Net assets	<u>726,518</u>	<u>726,518</u>

	Unrestricted Funds £	Total Funds 2021 £
Investments	1,304,010	1,304,010
Current assets	94,388	94,388
Creditors less than 1 year	(58,192)	(58,192)
Creditors greater than 1 year	(718,260)	(718,260)
Net assets	<u>621,946</u>	<u>621,946</u>

21. Related parties

Mr S Salzman and Mr D Salzman, trustees of SMD Foundation, are also directors and shareholders of the following companies: -

Cityview Management (UK) Ltd;
Wavertree Estates Ltd;
Cityview Estates Ltd;
S Halpern Ltd;
Valleyview Estates Ltd;
Ribble Real Estates Ltd;
Springfield Manchester Ltd;
Castleview Estates UK Ltd;
Hazelroyd Ltd.
Newcroft Trading Ltd.

Donations to SMD Foundation during the year include amounts totalling £140,925 received from some of the above-named companies.

Mrs R Salzman, wife of Mr D Salzman, trustee of the charity is also a director and shareholder of Bird ITH Cottages Ltd and Coppice Estates. During the year, Bird ITH Cottages Ltd and Coppice Estates together donated £24,800 to the charity. In a previous year, Bird ITH Cottages Ltd lent £3,237 to SMD Foundation on an interest free basis and this is the balance at the year end.

In a previous year SMD Foundation borrowed from some of the above-named companies aggregated to the value of £304,871 on an interest free basis. The balance of the outstanding loans at the year-end is £272,766.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2022

22. Taxation

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

SMD FOUNDATION

England & Wales - Charity number 1167956

Accounts

COMPANY REGISTRATION NUMBER: 9881780
CHARITY REGISTRATION NUMBER: 1167956

SMD Foundation
Company Limited by Guarantee
Unaudited Financial Statements
30 November 2021

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
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SMD Foundation

Company Limited by Guarantee

Financial Statements

Year ended 30 November 2021

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SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 November 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 30 November 2021.

Reference and administrative details

Registered charity name SMD Foundation

Charity registration number 1167956

Company registration number 9881780

Principal office and registered office 77 Windsor Road
Prestwich
Manchester
M25 0DB

The trustees

Mrs M C Huppert
D Salzman
S Salzman

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

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2021

Structure, governance and management

SMD Foundation is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 20 November 2015 as a company and the company number is 9881780. It was registered as a charity on 30 June 2016 with a charity number 1167956.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association 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 S Salzman 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.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2021

Objectives and activities

The objects of the charity are: (1) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education; (2) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship; (3) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).

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 investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals 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.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2021

Achievements and performance

The charity received £189,506 in donations as well as £10,000 from grants receivable during the year. The charity paid out £68,789 by way of grants and support costs. These grants were made in line with the stated objects of the charity and relate to religious purposes, educational purposes as well as relief of poverty purposes.

The charity also received £35,564 in investment income during the year.

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.

The charity purchased an investment property during the year the details of which may be found in the notes to the accounts.

There were no material fundraising costs during the year.

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

There was an overall net income and net movement in funds for the year amounting to £137,140.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2021

Financial review

Investment performance

The investments of the charity have provided a gross return of 2% in the year. This is acceptable when compared to returns from bank deposits for which returns are far lower and do not take into account any capital growth potential.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These property investment returns are not at the expense of any exposure of loan to value covenants that would put these investments at risk. Additionally, the trustees hope that the shares will rise in value in the future.

Coronavirus

The trustees have considered the impact of coronavirus on the charity and specifically on the value of the investment properties. The trustees consider the fair value of the investment property to be appropriate as there are no material indications yet to suggest any further reduction in the values.

Donations receivable have increased this year and the trustees are of the opinion that there are no material going concern issues for the charity.

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 roughly equal to the net 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 free reserves, represented by the net current assets, of the charity amounted to £37,873, all of which are unrestricted.

The trustees' annual report and the strategic report were approved on 18 August 2022 and signed on behalf of the board of trustees by:

S Salzman

Trustee

SMD Foundation

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of SMD Foundation

Year ended 30 November 2021

I report to the trustees on my examination of the financial statements of SMD Foundation ('the charity') for the year ended 30 November 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.

Mr Howard Schwalbe ACA

Independent Examiner

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

18 August 2022

SMD Foundation

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 November 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	189,506	10,000	199,506	101,765
Investment income	6	35,564	–	35,564	19,090
Total income		<u>225,070</u>	<u>10,000</u>	<u>235,070</u>	<u>120,855</u>
Expenditure					
Expenditure on raising funds:					
Investment management costs	7	29,141	–	29,141	15,846
Expenditure on charitable activities	8,9	58,789	10,000	68,789	81,888
Total expenditure		<u>87,930</u>	<u>10,000</u>	<u>97,930</u>	<u>97,734</u>
Net gains on investments	12	–	–	–	128,086
Net income and net movement in funds		<u>137,140</u>	<u>–</u>	<u>137,140</u>	<u>151,207</u>
Reconciliation of funds					
Total funds brought forward		484,806	–	484,806	333,599
Total funds carried forward		<u>621,946</u>	<u>–</u>	<u>621,946</u>	<u>484,806</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 10 to 20 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Statement of Financial Position

30 November 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	1,304,010	1,223,726
Current assets			
Debtors	17	20,600	–
Cash at bank and in hand		73,788	41,925
		<u>94,388</u>	<u>41,925</u>
Creditors: amounts falling due within one year	18	<u>56,515</u>	<u>43,200</u>
Net current assets		<u>37,873</u>	<u>(1,275)</u>
Total assets less current liabilities		<u>1,341,883</u>	<u>1,222,451</u>
Creditors: amounts falling due after more than one year	19	<u>718,260</u>	<u>737,645</u>
Net assets		<u>623,623</u>	<u>484,806</u>
Funds of the charity			
Unrestricted funds		<u>621,946</u>	<u>484,806</u>
Total charity funds	20	<u>621,946</u>	<u>484,806</u>

For the year ending 30 November 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.

The statement of financial position
continues on the following page.

The notes on pages 10 to 20 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Statement of Financial Position *(continued)*

30 November 2021

These financial statements were approved by the board of trustees and authorised for issue on 18 August 2022, and are signed on behalf of the board by:

S Salzman
Trustee

The notes on pages 10 to 20 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 November 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 77 Windsor Road, Prestwich, Manchester, M25 0DB.

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 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.

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 besides the valuation of fixed asset investments at the year end.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 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.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Investments *(continued)*

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

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.

Debt instruments are subsequently measured at amortised cost.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

SMD Foundation is a registered charity and a company limited by guarantee that does not have any share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	189,506	–	189,506
Grants			
Grants receivable	–	10,000	10,000
	<u>189,506</u>	<u>10,000</u>	<u>199,506</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	101,765	–	101,765
Grants			
Grants receivable	–	–	–
	<u>101,765</u>	<u>–</u>	<u>101,765</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	<u>35,564</u>	<u>35,564</u>	<u>19,090</u>	<u>19,090</u>

7. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Property repairs and maintenance charges	<u>29,141</u>	<u>29,141</u>	<u>15,846</u>	<u>15,846</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable grants	44,251	–	44,251
Start the Day	–	7,389	7,389
Support costs	14,538	2,611	17,149
	<u>58,789</u>	<u>10,000</u>	<u>68,789</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable grants	52,924	–	52,924
Start the Day	3,542	–	3,542
Support costs	25,422	–	25,422
	<u>81,888</u>	<u>–</u>	<u>81,888</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	–	44,251	15,829	60,080	77,147
Start the Day	7,389	–	–	7,389	3,542
Governance costs	–	–	1,320	1,320	1,199
	<u>7,389</u>	<u>44,251</u>	<u>17,149</u>	<u>68,789</u>	<u>81,888</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	14,364	14,364	4,978
Finance costs	1,465	1,465	19,245
Governance costs	1,320	1,320	1,200
	<u>17,149</u>	<u>17,149</u>	<u>25,423</u>

11. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Beis Yaakov Jewish High School	6,000	7,500
Chabad Liverpool	5,000	–
Grants under £1,000	13,298	15,417
Keren Haya'eled	1,188	–
Kids Care London	1,000	–
Kolyom Trust	–	4,275
Manchester Hachnosas Kallah	1,685	–
Other charitable grants	5,000	–
Religious grants	–	14,932
Y A M F	5,130	5,700
Yeshivas Nezer Hatorah	5,950	5,100
	<u>44,251</u>	<u>52,924</u>
Total grants	<u>44,251</u>	<u>52,924</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

12. Net gains on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment property	–	–	15,789	15,789
Gains/(losses) on revaluation of other investment assets	–	–	112,297	112,297
	<u>–</u>	<u>–</u>	<u>128,086</u>	<u>128,086</u>

13. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,320</u>	<u>1,200</u>

14. 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).

15. Trustee remuneration and expenses

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

16. Investments

	Investment properties £
Cost or valuation	
At 1 December 2020	1,223,726
Additions	80,284
At 30 November 2021	<u>1,304,010</u>
Impairment	
At 1 December 2020 and 30 November 2021	
Carrying amount	
At 30 November 2021	<u>1,304,010</u>
At 30 November 2020	<u>1,223,726</u>

All investments shown above are held at valuation.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

16. Investments *(continued)*

Investment properties

Investment properties represent seven wholly owned properties, three of which were purchased in the year, that are recorded at fair value in the opinion of the trustees at the balance sheet date.

17. Debtors

	2021	2020
	£	£
Other debtors	20,600	–

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	31,995	31,995
Trade creditors	10,135	8,808
Accruals and deferred income	1,320	1,200
Other creditors	13,065	1,197
	56,515	43,200

Bank loans and overdrafts are secured on the investment property of the charity.

19. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	379,264	408,037
Loans	338,996	329,608
	718,260	737,645

Bank loans and overdrafts are secured on the investment property of the charity.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

20. Analysis of charitable funds

Unrestricted funds

	At 01 Dec 2020 £	Income £	Expenditure £	Gains and losses £	At 30 Nov 2021 £
General funds	<u>484,806</u>	<u>225,070</u>	<u>(87,930)</u>	<u>–</u>	<u>621,946</u>

	At 01 Dec 2019 £	Income £	Expenditure £	Gains and losses £	At 30 Nov 2020 £
General funds	<u>333,599</u>	<u>120,855</u>	<u>(97,734)</u>	<u>128,086</u>	<u>484,806</u>

Restricted funds

	At 01 Dec 2020 £	Income £	Expenditure £	Gains and losses £	At 30 Nov 2021 £
Grants receivable fund	<u>–</u>	<u>10,000</u>	<u>(10,000)</u>	<u>–</u>	<u>–</u>

	At 01 Dec 2019 £	Income £	Expenditure £	Gains and losses £	At 30 Nov 2020 £
Grants receivable fund	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	1,304,010	1,304,010
Current assets	94,388	94,388
Creditors less than 1 year	(56,515)	(56,515)
Creditors greater than 1 year	(718,260)	(718,260)
Net assets	<u>623,623</u>	<u>623,623</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	1,223,726	1,223,726
Current assets	41,925	41,925
Creditors less than 1 year	(43,200)	(43,200)
Creditors greater than 1 year	(737,645)	(737,645)
Net assets	<u>484,806</u>	<u>484,806</u>

22. Related parties

Mr S Salzman and Mr D Salzman, trustees of SMD Foundation, are also directors and shareholders of the following companies: -

Cityview Management (UK) Ltd;
Wavertree Estates Ltd;
Cityview Estates Ltd;
S Halpern Ltd;
Valleyview Estates Ltd;
Ribble Real Estates Ltd;
Springfield Manchester Ltd;
Castleview Estates UK Ltd;
Hazelroyd Ltd.

Donations to SMD Foundation during the year include amounts totalling £138,700 received from some of the above-named companies.

Mrs R Salzman, wife of Mr D Salzman, trustee of the charity is also a director and shareholder of Bird ITH Cottages Ltd and Coppice Estates. During the year, Bird ITH Cottages Ltd and Coppice Estates together donated £32,400 to the charity. In a previous year, Bird ITH Cottages Ltd lent £4,737 to SMD Foundation on an interest free basis and this is the balance at the year end.

In a previous year SMD Foundation borrowed from some of the above-named companies aggregated to the value of £304,871 on an interest free basis. The balance of the outstanding loans at the year-end is £294,456.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

23. Taxation

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

SMD FOUNDATION

England & Wales - Charity number 1167956

Accounts

COMPANY REGISTRATION NUMBER: 9881780
CHARITY REGISTRATION NUMBER: 1167956

SMD Foundation
Company Limited by Guarantee
Unaudited Financial Statements
30 November 2020

HAFFNER HOFF LTD

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

SMD Foundation

Company Limited by Guarantee

Financial Statements

Year ended 30 November 2020

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SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 November 2020

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 30 November 2020.

Reference and administrative details

Registered charity name SMD Foundation

Charity registration number 1167956

Company registration number 9881780

Principal office and registered office 77 Windsor Road
Prestwich
Manchester
M25 0DB

The trustees

Mrs M C Huppert
D Salzman
S Salzman

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

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Structure, governance and management

SMD Foundation is constituted by Memorandum and Articles of Association and is a company limited by guarantee. It was incorporated on 20 November 2015 as a company and the company number is 9881780. It was registered as a charity on 30 June 2016 with a charity number 1167956.

Recruitment and appointment of new trustees would be in line with the Memorandum and Articles of Association 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 S Salzman 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.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Objectives and activities

The objects of the charity are: (1) For the public benefit to promote the education of people of all ages around the world in such ways as the charity trustees think fit, including awarding to such persons scholarships, maintenance allowances or grants; or by grants to charities or other organisations worldwide that provide education; (2) The prevention or relief of poverty or financial hardship anywhere in the world by providing: grants or loans to individuals in need and/or charities, or other organisations working to prevent or relieve poverty or financial hardship; (3) To advance the Orthodox Jewish religion worldwide for the benefit of the public in accordance with the principles of the Code of Jewish Law (Shulchan Aruch).

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 investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals 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 objects. 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.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Achievements and performance

The charity received £101,765 in donations during the year and paid out £81,769 by way of grants and support costs. These grants were made in line with the stated objects of the charity and relate to religious purposes, educational purposes as well as relief of poverty purposes.

The charity also received £19,090 in investment income during the year.

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.

The charity purchased an investment property during the year the details of which may be found in the notes to the accounts.

The charity sold one investment property during the year with a net gain to the charity amounting to £15,789. The trustees reviewed the fair value of the investment properties during the year. This resulted in an upward revaluation of £112,297. The reason for the significant increase in value is due to a property refurbishment that has now been completed. The net effect of these items is £128,086 as disclosed on the face of the SOFA.

There were no material fundraising costs during the year.

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

There was an overall net income and net movement in funds for the year amounting to £151,207.

SMD Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Financial review

Investment performance

The investments of the charity have provided a gross return of 2% in the year. This is acceptable when compared to returns from bank deposits for which returns are far lower and do not take into account any capital growth potential.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These property investment returns are not at the expense of any exposure of loan to value covenants that would put these investments at risk. Additionally, the trustees hope that the shares will rise in value in the future.

Coronavirus

The trustees have considered the impact of coronavirus on the charity and specifically on the value of the investment properties. The trustees consider the fair value of the investment property to be appropriate as there are no material indications yet to suggest any further reduction in the values. This may change in the coming months and will be reported on next year. Donation's receivable have reduced possibly as a result of coronavirus but the resulting reduction in grants paid out ensures this is not a going concern issue for the charity.

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 roughly equal to the net 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 free reserves, represented by the net current liabilities of the charity stand at £1,275, all of which are unrestricted. The trustees are aware of the overdrawn nature of the net current assets but are confident that this will have little or no impact on the going concern of the charity.

The trustees' annual report and the strategic report were approved on 31 August 2021 and signed on behalf of the board of trustees by:

S Salzman
Trustee

SMD Foundation

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of SMD Foundation

Year ended 30 November 2020

I report to the trustees on my examination of the financial statements of SMD Foundation ('the charity') for the year ended 30 November 2020.

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.

Mr Howard Schwalbe ACA

Independent Examiner

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

31 August 2021

SMD Foundation

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 November 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	101,765	101,765	182,088
Investment income	6	19,090	19,090	13,730
Total income		<u>120,855</u>	<u>120,855</u>	<u>195,818</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	15,846	15,846	33,158
Expenditure on charitable activities	8,9	81,888	81,888	108,245
Total expenditure		<u>97,734</u>	<u>97,734</u>	<u>141,403</u>
Net gains on investments	12	128,086	128,086	–
Net income and net movement in funds		<u>151,207</u>	<u>151,207</u>	<u>54,415</u>
Reconciliation of funds				
Total funds brought forward		333,599	333,599	279,184
Total funds carried forward		<u>484,806</u>	<u>484,806</u>	<u>333,599</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 17 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Statement of Financial Position

30 November 2020

	Note	2020 £	£	2019 £
Fixed assets				
Investments	16		1,223,726	942,845
Current assets				
Cash at bank and in hand		41,925		54,432
Creditors: amounts falling due within one year	17	<u>43,200</u>		<u>40,171</u>
Net current liabilities			<u>(1,275)</u>	<u>14,261</u>
Total assets less current liabilities			1,222,451	957,106
Creditors: amounts falling due after more than one year	18		<u>737,645</u>	<u>623,507</u>
Net assets			<u><u>484,806</u></u>	<u><u>333,599</u></u>
Funds of the charity				
Unrestricted funds			484,806	333,599
Total charity funds	19		<u><u>484,806</u></u>	<u><u>333,599</u></u>

For the year ending 30 November 2020 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 31 August 2021, and are signed on behalf of the board by:

S Salzman
Trustee

The notes on pages 9 to 17 form part of these financial statements.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 November 2020

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 77 Windsor Road, Prestwich, Manchester, M25 0DB.

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 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.

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 besides the valuation of fixed asset investments at the year end.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

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.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

3. Accounting policies *(continued)*

Investments *(continued)*

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

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

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.

Debt instruments are subsequently measured at amortised cost.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

SMD Foundation is a registered charity and a company limited by guarantee that does not have any share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	101,765	101,765	182,088	182,088

6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from investment properties	19,090	19,090	13,730	13,730

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

7. Investment management costs

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Property repairs and maintenance charges	15,846	15,846	33,158	33,158

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Charitable grants	52,924	52,924	94,804	94,804
Start the Day	3,542	3,542	3,086	3,086
Support costs	25,422	25,422	10,355	10,355
	<u>81,888</u>	<u>81,888</u>	<u>108,245</u>	<u>108,245</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Charitable grants	–	52,924	24,223	77,147	103,875
Start the Day	3,542	–	–	3,542	3,086
Governance costs	–	–	1,199	1,199	1,284
	<u>3,542</u>	<u>52,924</u>	<u>25,422</u>	<u>81,888</u>	<u>108,245</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2020 £	Total 2019 £
General office	4,978	4,978	1,747
Finance costs	19,245	19,245	7,324
Governance costs	1,199	1,199	1,284
	<u>25,422</u>	<u>25,422</u>	<u>10,355</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

11. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Asser Bishvil Foundation	–	18,200
Beis Yaakov Jewish High School	7,500	–
Gladstone C T	–	25,000
Grants under £1,000	15,417	12,431
Keren Hatzolas Doros	–	8,501
Kolyom Trust	4,275	–
Other charitable grants	–	25,672
Religious grants	14,932	5,000
Y A M F	5,700	–
Yeshivas Nezer Hatorah	5,100	–
	<u>52,924</u>	<u>94,804</u>
Total grants	<u>52,924</u>	<u>94,804</u>

12. Net gains on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on investment property	15,789	15,789	–	–
Gains/(losses) on revaluation of other investment assets	112,297	112,297	–	–
	<u>128,086</u>	<u>128,086</u>	<u>–</u>	<u>–</u>

13. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>1,200</u>

14. Staff costs

The average head count of employees during the year was Nil (2019: Nil).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

15. Trustee remuneration and expenses

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

16. Investments

	Investment properties £
Cost or valuation	
At 1 December 2019	942,845
Additions	281,747
Disposals	(113,162)
Fair value movements	112,296
At 30 November 2020	<u>1,223,726</u>
Impairment	
At 1 December 2019 and 30 November 2020	
Carrying amount	
At 30 November 2020	<u>1,223,726</u>
At 30 November 2019	<u>942,845</u>

All investments shown above are held at valuation.

Investment properties

Investment properties represent seven wholly owned properties, three of which were purchased in the year, that are recorded at fair value in the opinion of the trustees at the balance sheet date.

17. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	31,995	32,000
Trade creditors	8,808	6,971
Accruals and deferred income	1,200	1,200
Other creditors	1,197	–
	<u>43,200</u>	<u>40,171</u>

Bank loans and overdrafts are secured on the investment property of the charity.

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

18. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	408,037	422,353
Loans	329,608	201,154
	<u>737,645</u>	<u>623,507</u>

Bank loans and overdrafts are secured on the investment property of the charity.

19. Analysis of charitable funds

Unrestricted funds

	At 01 Dec 2019	Income	Expenditure	Gains and losses	At 30 Nov 2020
	£	£	£	£	£
General funds	<u>333,599</u>	<u>120,855</u>	<u>(97,734)</u>	<u>128,086</u>	<u>484,806</u>

	At 01 Dec 2018	Income	Expenditure	Gains and losses	At 30 Nov 2019
	£	£	£	£	£
General funds	<u>279,184</u>	<u>195,818</u>	<u>(141,403)</u>	<u>–</u>	<u>333,599</u>

20. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2020
	£	£
Investments	1,223,726	1,223,726
Current assets	41,925	41,925
Creditors less than 1 year	(43,200)	(43,200)
Creditors greater than 1 year	(737,645)	(737,645)
Net assets	<u>484,806</u>	<u>484,806</u>

	Unrestricted Funds	Total Funds 2019
	£	£
Investments	942,845	942,845
Current assets	54,432	54,432
Creditors less than 1 year	(40,171)	(40,171)
Creditors greater than 1 year	(623,507)	(623,507)
Net assets	<u>333,599</u>	<u>333,599</u>

SMD Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

21. Related parties

Mr S Salzman and Mr D Salzman, trustees of SMD Foundation, are also directors and shareholders of the following companies: -

Cityview Management (UK) Ltd;
Wavertree Estates Ltd;
Cityview Estates Ltd;
S Halpern Ltd;
Valleyview Estates Ltd;
Ribble Real Estates Ltd;
Springfield Manchester Ltd;
Castleview Estates UK Ltd;
Hazelroyd Ltd.

Donations to SMD Foundation during the year include amounts totalling £33,937 received from some of the above-named companies.

Mrs R Salzman, wife of Mr D Salzman, trustee of the charity is also a director and shareholder of Bird ITH Cottages Ltd and Coppice Estates. During the year, Bird ITH Cottages Ltd and Coppice Estates together donated £13,617 to the charity. During the year, Bird ITH Cottages Ltd lent £4,737 SMD Foundation on an interest free basis and this is the balance at the year end.

During the year SMD Foundation borrowed from some of the above-named companies aggregated to the value of £304,871 on an interest free basis and this is the balance at the year end.

22. Taxation

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