

**THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5TH APRIL 2021**

**Charity Registration No 249368
Inland Revenue No: XN 12838**

**THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
YEAR ENDED 5TH APRIL 2021
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**THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5TH APRIL 2021**

The Trustees present their Report together with the Financial Statements of the Trust for the year from 6th April 2020 to 5th April 2021.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charity SORP (FRS 102)).

Information

Charity registration number (England and Wales)	249368
Trustees	Dr. Marjorie Esther Ziff Mr. Michael Anthony Ziff Mr. Edward Max Ziff Mrs. Ann Louise Manning
Registered address	Town Centre House The Merrion Centre Leeds LS2 8LY
Bankers	Lloyds TSB Bank plc, 6/7 Park Row, Leeds, LS1 1NX
Solicitors	Wrigleys Solicitors LLP, 19 Cookridge Street, Leeds, LS2 3AG
Auditors	Begbies 9 Bonhill Street London, EC2A 4DJ

Reference and administration details

The Charity was established by a Deed of Trust dated 31 July 1964 and registered as an unincorporated charity in the UK on 22 September 1966. The Trust and Governing Instruments under which the Foundation operates comprise the original Trust Deed and Policies made from time to time by the Trustees. The Trustees served as trustees throughout the period and there were no changes in the year or in the period up to the date of approval of the Report.

The Board of Trustees is a self appointing body and training for new Trustees would be provided by the existing Trustees and their advisors. The day to day running of the Foundation is managed by the Trustees. There are no employees and grants are made on the basis of the Trustees' discretion.

All correspondence is directed by the Secretary to the appropriate Trustee for his or her immediate consideration as to the possibility of a grant. The Trustees are in very close personal contact and continually receive updates on schemes which involve their fellow Trustees. The Secretary provides a monthly update of the position relative to cash availability, future income and pledges due to be paid. The Trustees also hold formal meetings on a regular basis throughout the year. As the Foundation's income is dependent on the dividends receivable as its main source of incoming resources, the performance of the investments is carefully monitored and every effort taken to ensure that any temporary cash surplus arising is carefully invested until it is distributed.

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5TH APRIL 2021

Objects, grant making and activities for the public benefit

The objects of the Foundation as set out in the Trust Deed have not changed over the fifty-seven years of its existence. The primary purpose of the Foundation has been to see a need and within its limited resources attempt to fill it and to encourage others to do the same. It has always been important to the Trustees that any gift made will provide value for money donated so that the cash given will be used to benefit as many people as possible.

This covers a wide variety of schemes which involve the community at many levels including education, public places, the relief of the underprivileged and all branches of the arts. In particular the Trustees find that capital projects for any of the causes mentioned deserve their major support as public cash for building works is very difficult to obtain either from local or national government. The projects that they support in these major schemes will be made use of by many people whom the politicians never seem to appreciate until the job is done voluntarily.

The Trustees meet at regular intervals throughout the year to consider and approve various applications received for funding. The Trust continues to make grants in accordance with terms set out in the Trust Deed and has provided some 36 grants to a wide range of charitable institutions during the year. These were of differing amounts depending on the circumstances or nature of the application and amounted to £356,882. Further details are shown in note 4 to the Accounts.

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

Achievements and performance

The results for the year are set out on page 7. There have been no changes to the charity's policies during the year.

The Trust's incoming resources consist of income from the investment portfolio, receipts from the I.A. Ziff Discretionary Settlement and a tax refund. Total expenditure amounted to £390,588 of which £356,882 was spent on grant making. The unrealised gain on investment holdings reflects the improved performance of the stock market during the period. Further details of the investment portfolio and the changes during the year are shown in note 7 to the Accounts.

The net assets of the Foundation amounted to £7,016,028 (2020: £6,598,975). The Charity's assets are unrestricted, available and adequate to fulfil its obligations. The Foundation operates independently in pursuit of its charitable objectives in the UK and will continue to apply and fulfill those objectives in the future.

Policy on reserves

The Trustees' present intention is to continue to make grants and commitments, as near as is practicable, equate to the net annual and reasonable expectation of future income of the charity and current liquid funds held. The charity's policy of reserves is therefore to ensure that there are sufficient funds immediately available to meet the next three years' commitments and to ensure that reasonable expectations of income meet commitments beyond the next four years.

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5TH APRIL 2021

Investment policy and investment objectives

The market value of the investments held by the charity at the year-end amounted to £4,344,763 (2020 £3,860,217). The Trustees regularly monitor the performance of its investment which has been acquired by way of gift from the charity's founder - Arnold Ziff. The Trustees are closely involved with the charity and are very mindful of the need to ensure the charity maintains its dividend streams, which the Trustees consider is more important to meet the charity's commitments rather than the current value, which is expected to recover over time.

Risks and uncertainty facing the Charity

The Trustees are responsible for the identification and management of the major risks facing the Foundation. The Trustees receive monthly figures outlining the performance of the Foundation's investments and the availability of cash resources to fund future projects. They also meet formally on a regular basis and consider anything that might undermine the capacity of the Foundation to fulfil its charitable objectives.

Statement of Trustees' responsibilities

The Charity's Trustees are responsible for preparing a trustees' annual report and financial statements (accounts) in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The Trustees declare that they have approved the Trustees's Report above

Signed on behalf of the Charity's Trustees

Michael A Ziff

Edward M Ziff

Date: 17 December 2021

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION

Independent auditor's report to the Trustees of the Marjorie and Arnold Ziff Charitable Foundation

Opinion

We have audited the financial statements of the Marjorie and Arnold Ziff Charitable Foundation for the year ended 5th April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 5th April 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charities ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION

Independent auditor's report to the Trustees of the Marjorie and Arnold Ziff Charitable Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements;
- enquiries and confirmation of management as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- review of relevant meeting minutes including those of the Board;
- evaluation of the selection and application of the accounting policies chosen by the charity;
- in relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- in relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION

Independent auditor's report to the Trustees of the Marjorie and Arnold Ziff Charitable Foundation

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Begbies
Chartered Accountants
Statutory Auditors

9 Bonhill Street
London, EC2A 4DJ
17 December 2021

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME & EXPENDITURE ACCOUNT)
YEAR ENDED 5TH APRIL 2021
Charity Registration No 249368

	Notes	2021 £ <u>Unrestricted funds</u>	2021 £ <u>Unrestricted funds</u>	2020 £ <u>Unrestricted funds</u>	2020 £ <u>Unrestricted funds</u>
Income	3		323,095		766,755
Total income			<u>323,095</u>		<u>766,755</u>
Expenditure					
<u>Direct charitable expenditure:</u>					
Grants	4	356,882		542,703	
<u>Other expenditure:</u>					
Management & administration of the charity	5	33,706		39,843	
Total expenditure			<u>(390,588)</u>		<u>(582,546)</u>
Net (expenditure) income for the year			<u>(67,493)</u>		<u>184,209</u>
<u>Other recognised gains and losses</u>					
Gains/(losses) on investments					
Realised gains/(losses)		-		-	
Unrealised gains/(losses)		<u>484,546</u>		<u>(3,084,943)</u>	
			484,546		(3,084,943)
Net movement in funds			<u>417,053</u>		<u>(2,900,734)</u>
Accumulated funds brought forward			6,598,975		9,499,709
Accumulated funds carried forward			<u><u>7,016,028</u></u>		<u><u>6,598,975</u></u>

The notes on pages 10 to 14 form an integral part of these Accounts

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
BALANCE SHEET
YEAR ENDED 5TH APRIL 2021
Charity Registration No 249368

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Investments	7		4,344,763		3,860,217
Current assets					
Debtors	8	203,391		205,053	
Cash at bank & in hand		<u>2,522,580</u>		<u>2,579,905</u>	
		2,725,971		2,784,958	
Creditors: amounts falling due within one year	9	<u>(54,706)</u>		<u>(46,200)</u>	
Net current assets			2,671,265		2,738,758
Net assets			<u>7,016,028</u>		<u>6,598,975</u>
Represented by:					
Unrestricted income funds			7,016,028		6,598,975
Total funds	10		<u>7,016,028</u>		<u>6,598,975</u>

The notes on pages 10 to 14 form an integral part of these Accounts

Approved by the Board of Trustees on 17 December 2021
and signed on its behalf by:

.....Michael A Ziff (Trustee)

.....Edward M Ziff (Trustee)

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED 5TH APRIL 2021

	<u>Notes</u>	2021 £	2020 £
Cash used in operating activities	13	<u>(380,420)</u>	<u>(505,106)</u>
Cash flows from investing activities			
Investment income		323,095	766,755
Cash provided by (used in) investing activities		<u>323,095</u>	<u>766,755</u>
Increase (decrease) in cash and cash equivalents in the year		(57,325)	261,649
Cash and cash equivalents at 6 April		2,579,905	2,318,256
Total cash and cash equivalents at 5 April		<u><u>2,522,580</u></u>	<u><u>2,579,905</u></u>

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS
YEAR ENDED 5TH APRIL 2021

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to this registered charity's accounts (Financial Statements):

(a) Basis of accounting and going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. They have also been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" - Charities SORP (FRS 102) and the Charities Act 2011. The accounts have been presented in sterling

The charity meets the definition of a public entity under FRS 102.

(b) Preparation of accounts on a going concern basis

The Charity's Financial Statements show net expenditure of £54,787 and free reserves of £2,683,971.

The trustees are of the view that these results have secured the immediate future of the Charity for the next twelve months and on this basis the Charity is a going concern.

(c) Income recognition

Income represents investment income, which is accounted for on a receivable basis, and tax recoverable. Dividends are recognised when the dividend goes "ex div".

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

(e) Policies regarding grants

Grants are made by the Foundation on the basis of the Trustees' discretion.

(f) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors.

(g) Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

2. Trustee and staff costs

There were no staff or trustee costs and no reimbursed expenses for trustees during the year.

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 5TH APRIL 2021

3. Income	2021	2020
	£	£
Dividends - equities	140,518	329,491
Bank deposit interest	293	8,224
Other interest	-	64
Tax recoverable on PIDs	41,958	100,053
	<u>182,769</u>	<u>437,832</u>
 Receipts from I A Ziff No.2 Discretionary Settlement	 140,326	 328,923
	<u><u>323,095</u></u>	<u><u>766,755</u></u>

4. Grants

All grants made during the year are to charitable institutions. The recipients and amounts are shown below:

	£
British Friends of United Hatzalah	3,000
Calderdale Smartmove	90
Chief Rabbinate Trust	15,000
CST	12,000
Friends of Brodetsky	7,500
Holocaust Educational Trust	500
Jami	25
Jerusalem Foundation Charity	1,000
Jewish Care	500
J-netics	5,000
Leeds Cares	39
Leeds Jewish Welfare Board	60,120
Leeds Kollel	10,000
Leeds Lubavitch	18,000
London School of Jewish Studies	1,000
Macabbi GB	51,000
Macmillan Cancer support	135
Office of the Chief Rabbi	7,500
Opera North	33,333
Pancreatic Cancer UK	100
Shaare Zedek	5,000
Spread a Smile	250
St Gemma's Hospice	5,000
Sunderland Kollel	2,000
The Chicken Soup Shelter	250
The Compassionate Friends	58
The Faith and Belief Forum	1,500
The Greenaway Foundation	1,000
The New London Synagogue	1,356
The Zone	3,000
UHC	9,439
 carried forward	 <u>254,694</u>

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 5TH APRIL 2021

	£
brought forward	254,694
UJIA	85,000
United Synagogue	2,262
Water Aid	250
Western Marble Arch Synagogue	7,176
WMUK	7,500
Total for 2021	356,882
Total for 2020	542,703

5. Management and administration of the Charity	2021	2020
	£	£
Accountancy and other professional fees	16,000	19,800
Auditor's fees	5,000	6,000
Administrative costs	12,706	14,043
	<u>33,706</u>	<u>39,843</u>

6. Other recognised gains and losses

Gains/(losses) on investments are comprised of two types as follows:

- a) Realised gains/(losses) - These arise when investments are sold and reflect the difference between the market value at the start of the year and the actual sales proceeds.
- b) Unrealised gains/(losses) - These arise from the difference in the brought forward market value and the year end market value of the investments held at the year end.

7. Investments	2021	2020
	£	£
Market value at 6th April, 2020	3,860,217	6,945,160
Additions at cost	-	-
Disposals at opening market value	-	-
Net gain/(loss) on revaluation	484,546	(3,084,943)
Market value at 5th April, 2021	<u>4,344,763</u>	<u>3,860,217</u>
Historical cost at 5th April 2021	<u>13,133,269</u>	<u>13,133,269</u>

All investments represent direct investments in UK quoted companies.

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 5TH APRIL 2021

8. Debtors	2021	2020
	£	£
Income tax recoverable	41,958	100,053
Other debtors	161,433	105,000
	<u>203,391</u>	<u>205,053</u>

9. Creditors	2021	2020
	£	£
Accruals	54,706	46,200
	<u>54,706</u>	<u>46,200</u>

10. Reconciliation of funds	2021	2020
	£	£
Surplus/(deficit) for the financial year	417,053	(2,900,734)
Opening balance	6,598,975	9,499,709
Closing balance (all unrestricted funds)	<u>7,016,028</u>	<u>6,598,975</u>

11. Related party transactions

The Trustees all give their time and expertise freely without any form of remuneration or other benefit in cash or in kind (2020: £nil).

12. Commitments

At 5 April 2021 the charity had the following commitments:

Commitments in respect of grants approved which have not been accrued in the financial statements but will form part of grants:

	2021	2020
	£	£
Within one year	287,833	317,750
Between one and two years	287,833	298,750
After more than two years	575,666	606,500
	<u>1,151,332</u>	<u>1,223,000</u>

Included above are perpetual pledges of £287,833 due in 2022 (2021: £281,250).

THE MARJORIE AND ARNOLD ZIFF CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 5TH APRIL 2021

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	417,053	(2,900,734)
Investment income shown in investing activities	(323,095)	(766,755)
(Gains) losses on investments	(484,546)	3,084,943
Decrease (increase) in debtors	1,662	51,640
Increase (decrease) in creditors	8,506	25,800
Net cash used in operating activities	<u>(380,420)</u>	<u>(505,106)</u>

14. Critical accounting estimates and judgements.

The Trustees do not consider that any significant critical accounting estimates or judgements were required to be made in the preparation of these Financial Statements.