

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Michael V Sternberg QC KCFO Reverend Doctor Marcus Christopher Rossi Braybrooke MA MPhil Martin Arthur Malcom Slowe FRICS Noam Tamir Martin David Paisner CBE
Charity number	257950
Principal address	Star House 104/ 108 Grafton Road London NW5 4BA
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Solicitors	Payne Hicks Beach 10 New Square Lincolns Inn London WC2A 3QG

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

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THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's trust deed, the Charities Act 2011 and "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)" (effective from 1 January 2019).

Objectives and activities

The Charitable Trust is constituted by Trust Deed (dated 20 December 1968; amended on 12 March 2008; further amended on 21 August 2013) and its public benefit objectives and aims are to apply the Trust Fund and Income thereof for general charitable purposes, in particular by the making of grants to charitable institutions, and the furtherance of the interfaith activities to promote racial and religious harmony, referred to below.

Charitable grants are made and interfaith activities promoted and supported as decided by the Trustees from time to time, Details of significant activities are given below.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Grant-Making Policy

The Trustees meet from time to time to consider the making of charitable grants to institutions and to review any applications for grants that have been received. During the year the charity made grants of £220,490 (2020: £233,750) for general and specific charitable purposes; details of grants are shown in the notes to the Financial Statements and these grants supported the public benefit activities of those institutions.

Safeguarding

Although the Foundation does not work directly with children or vulnerable adults, it may provide funding to other charities that work with these groups. As such the trustees seek to ensure, through proportionate and reasonable due diligence, that charities which they support take their responsibilities seriously and that they have adequate and appropriate safeguards in place. The trustees intend to review their safeguarding policy and procedures on an annual basis.

Achievements and performance

The trustees consider that the performance of the charity this year has been satisfactory. During the year the Foundation made grants to charitable institutions for general charitable purposes. The Foundation also began planning for the next Annual Times Sternberg Age Awards ceremony at 11 Downing Street which was scheduled to take place as soon as pandemic regulations and guidance allowed. The Judges selected the winners of the awards but the ceremony had to be delayed until November 2021.

The Trustees have continued the promotion and support of education in the field of racial and religious activities (interfaith activities), in particular, between the three Abrahamic faiths (Christian, Jewish and Muslim), and the education in and understanding of their fundamental tenets and beliefs. Events and activities in this respect included ongoing dialogue and meetings in relation to the unique Jewish Christian Muslim health care co-operation project in Israel operated by the Faith and Belief Forum. In the year, the Trustees presented the Sternberg Interfaith Gold Medallion to Imam Monawar Hussein MBE DL (subsequently High Sheriff of Oxford) and Muslim Tutor at Eton College in a ceremony at Eton College, attended by leading interfaith figures, Lord Waldegrave The Provost and the Headmaster. The Sternberg Interfaith Gold Medallion is a prestigious award which recognises exceptional interfaith contributions.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Financial review

The main source of the charity's income is investment income in respect of rental income received from investment properties. The trustees consider that the income yield is considerably more attractive than might reasonably be obtained in other areas with a similar risk (minimum) profile and the investment property portfolio is considered to represent a good overall investment return.

Details of income and expenditure are shown in the Statement of Financial Activities and the notes to the Financial Statements give details of the expenditure which has supported the activities of the Charitable Foundation during the year in meeting its key objectives.

The charity's assets are held for general charitable purposes as specified in the Trust Deed dated 20 December 1968 and the Board of Trustees consider that the financial position of the charity at 5 April 2021 is satisfactory to enable it to continue its aforesaid activities.

The quoted investments and freehold, leasehold and ground rent investment properties held by the charity have been acquired in accordance with the powers available to the trustees. The trustees' estimate of current values of the investment properties and the current value of the quoted investments have been substituted for their historical cost and details are shown in the notes to the Financial Statements.

During the year there were realised gains of £nil (2020: nil) and estimated unrealised losses of £320,000 (2020: £355,000) on investment properties.

Reserves Policy

The Trustees have examined the requirement for free reserves which are those unrestricted funds not invested in Fixed Assets. It is the policy of the charity to maintain free reserves at a level considered adequate to provide sufficient funds to enable it to meet its charitable commitments as they fall due; the free reserves amounted to £405,299 (2020: £496,038). Designated funds have been created up to an amount equivalent to the value of fixed assets held as these represent funds not immediately available for making charitable grants or for making payments for general charitable purposes. Designated funds amounted to £3,209,816 (2019: £3,531,179).

Risk Management

The trustees continually review the affairs of the charity to identify any major risks which the charity faces. In order to lessen such risks, the trustees previously appointed Property Management Agents to manage all of the charity's investment properties and report to the trustees with their recommendations in regard thereto; the trustees consider that this appointment, combined with the policy of maintaining Free Reserves and Designated Funds at the levels set out above, will ensure that the charity has sufficient resources in the event of adverse conditions arising. The trustees consider that the charity does not face any other business or operational risks.

The Trustees have considered the effect of the Covid-19 pandemic on the Foundation's activities. The Trustees are of the view that the pandemic will have little impact on the ability of the Foundation to continue its work.

Future Plans

The charity will continue its current activities for public benefit.

Structure, governance and management

Appointment of trustees is governed by the Trust Deed of the charity. The trustees are responsible for the day to day administration of the charity and hold periodic trustees' meetings.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Michael V Sternberg QC KCFO

Reverend Doctor Marcus Christopher Rossi Braybrooke MA MPhil

Martin Arthur Malcom Slowe FRICS

Noam Tamir

Martin David Paisner CBE

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee. The Board of Trustees ensures that the skill requirements of trustees are kept under review. New trustees, if required, are sought by recommendation from existing trustees and are given a synopsis of the history of the charity, its development, current activities and future plans, and the required training is given by existing trustees

The Sir Sigmund Sternberg Charitable Foundation wishes to express its appreciation of the efforts of its trustees and of the hard work of its staff over the last year.

Details of the related party transactions are shown in note 22 of the Notes to the Financial Statements.

Investment Powers

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity.

The Trustees' report was approved by the Board of Trustees.

Michael V Sternberg QC KCFO

Trustee

Dated: 21 January 2022

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Sir Sigmund Sternberg Charitable Foundation (the 'Charity') for the year ended 5 April 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 5 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, and the Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing the transactions in the accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and designated funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

24 January 2022

HW Fisher LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
	Notes						
Income from:							
Investments	3	240,736	-	240,736	268,214	-	268,214
Expenditure on:							
Property management	4	41,337	-	41,337	45,213	-	45,213
Charitable activities	5	291,500	-	291,500	338,509	-	338,509
Total resources expended		332,837	-	332,837	383,722	-	383,722
Net gains/(losses) on investments	10	(320,000)	-	(320,000)	(355,000)	-	(355,000)
Net outgoing resources before transfers		(412,101)	-	(412,101)	(470,508)	-	(470,508)
Gross transfers between funds	11	321,363	(321,363)	-	349,979	(349,979)	-
Net expenditure for the year/ Net movement in funds		(90,738)	(321,363)	(412,101)	(120,529)	(349,979)	(470,508)
Fund balances at 6 April 2020		496,037	3,531,179	4,027,216	616,567	3,881,158	4,497,725
Fund balances at 5 April 2021		405,299	3,209,816	3,615,115	496,038	3,531,179	4,027,217

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		7,726		9,089
Investment properties	13		3,201,060		3,521,060
Investments	14		1,030		1,030
			<u>3,209,816</u>		<u>3,531,179</u>
Current assets					
Debtors	16	70,316		45,121	
Cash at bank and in hand		396,371		497,663	
		<u>466,687</u>		<u>542,784</u>	
Creditors: amounts falling due within one year	17	(61,388)		(46,746)	
Net current assets			405,299		496,038
Total assets less current liabilities			<u>3,615,115</u>		<u>4,027,217</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	19	3,209,816		3,531,179	
General unrestricted funds		405,299		496,038	
		<u>3,615,115</u>		<u>4,027,217</u>	
			<u>3,615,115</u>		<u>4,027,217</u>

The financial statements were approved by the Trustees on 18 January 2022

Michael V Sternberg QC KCFO
Trustee

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

The Sir Sigmund Sternberg Charitable Foundation is an unincorporated charity registered with the Charity Commission for England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

The Trustees have considered the effect of the Covid-19 pandemic on the Foundation's activities. The Trustees are of the view that the pandemic will have little impact on the ability of the Foundation to continue its work. Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Resources expended

Support Costs are charged on an accruals basis. Grants are charged in the year when paid or when funds for future grants are committed; they comprise payments to third party institutions in accordance with the charitable objects of the charity and its public benefit objectives.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% Reducing Balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies (Continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The Charity has financial assets and financial liabilities only of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Valuation of investment properties

Investment properties have been revalued at the year end date by one of the Trustees, Martin Slowe FRICS, at an estimate of fair value.

3 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	240,316	266,504
Interest receivable	420	1,710
	<u>240,736</u>	<u>268,214</u>

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

4 Property management

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Property management expenses</u>	41,337	45,213
	<u>41,337</u>	<u>45,213</u>

Property management expenses above include managing agents' commissions on the collection of rents, the day to day management of the property portfolio, including issues relating to rent arrears, advice on lease renewals and sales also any agent's commissions on sales.

5 Charitable activities

	General purposes 2021 £	Interfaith Activities 2021 £	Total 2021 £	General purposes 2020 £	Interfaith Activities 2020 £	Total 2020 £
Event costs	10,000	-	10,000	11,515	-	11,515
Grant funding of activities (see note 6)	34,966	185,524	220,490	58,486	175,264	233,750
Share of support costs (see note 7)	-	44,818	44,818	16,213	59,213	75,426
Share of governance costs (see note 7)	-	16,192	16,192	3,125	14,693	17,818
	<u>44,966</u>	<u>246,534</u>	<u>291,500</u>	<u>89,339</u>	<u>249,170</u>	<u>338,509</u>

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

6 Grants payable

	General purposes 2021 £	Interfaith Activities 2021 £	Total 2021 £	General purposes 2020 £	Interfaith Activities 2020 £	Total 2020 £
Grants to institutions:						
The Faith and Belief Forum (formerly The Three Faiths Forum)	-	165,264	165,264	-	175,264	175,264
Faith and Belief Forum - donation towards office costs	-	20,260	20,260	23,141	-	23,141
Woolf Institute	10,000	-	10,000	10,000	-	10,000
World Congress of Faiths	3,500	-	3,500	3,530	-	3,530
Queens College Cambridge	6,500	-	6,500	-	-	-
New Israel Fund	5,000	-	5,000	5,000	-	5,000
Royal College of Speech and Language Therapists	2,000	-	2,000	1,000	-	1,000
Liberal Jewish Synagogue	2,000	-	2,000	-	-	-
Asylum Seeker Project	-	-	-	1,000	-	1,000
Alexander Haus	-	-	-	10,000	-	10,000
Other	5,966	-	5,966	4,815	-	4,815
	<u>34,966</u>	<u>185,524</u>	<u>220,490</u>	<u>58,486</u>	<u>175,264</u>	<u>233,750</u>

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THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	24,935	-	24,935	29,185	-	29,185
Depreciation	1,363	-	1,363	1,415	-	1,415
Office service charges and rates	3,861	-	3,861	19,973	-	19,973
Office Rent	4,000	-	4,000	4,000	-	4,000
Cleaning	1,152	-	1,152	3,168	-	3,168
Insurance	-	-	-	1,515	-	1,515
Sundry Expenses	-	-	-	3,591	-	3,591
Printing and Stationery	1,593	-	1,593	4,294	-	4,294
Telephone and Fax	7,914	-	7,914	8,285	-	8,285
Audit fees	-	7,800	7,800	-	7,800	7,800
Accountancy	-	6,641	6,641	-	6,300	6,300
Legal and professional	-	1,751	1,751	-	3,718	3,718
	<u>44,818</u>	<u>16,192</u>	<u>61,010</u>	<u>75,426</u>	<u>17,818</u>	<u>93,244</u>
Analysed between						
Charitable activities	<u>44,818</u>	<u>16,192</u>	<u>61,010</u>	<u>75,426</u>	<u>17,818</u>	<u>93,244</u>

Governance costs includes payments to the auditors of £7,800 (2020: £7,800) for audit fees and £6,641 for VAT and accountancy (2020: £6,300).

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year. One trustee was reimbursed travel expenses of £nil (2020: nil) during the year.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	2	2

Employment costs

	2021 £	2020 £
Wages and salaries	23,625	27,738
Social security costs	1,310	1,447
	24,935	29,185

There were no employees whose emoluments exceeded £60,000 (2020: nil).

10 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investment properties	(320,000)	(355,000)

11 Transfers

Transfers represent the adjustment to designated funds to reflect the fixed asset fund balances.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 6 April 2020	94,911
At 5 April 2021	94,911
Depreciation and impairment	
At 6 April 2020	85,822
Depreciation charged in the year	1,363
At 5 April 2021	87,185
Carrying amount	
At 5 April 2021	7,726
At 5 April 2020	9,089

13 Investment property

	2021 £
Fair value	
At 6 April 2020	3,521,060
Net gains or losses through fair value adjustments	(320,000)
At 5 April 2021	3,201,060

Investment properties comprise the following:

Freehold Properties

2,4,6 & 8 The Bridge, Chippenham, Wilts
10 & 12 The Bridge, Chippenham, Wilts
14 & 16 The Bridge, Chippenham, Wilts
18 The Bridge, Chippenham, Wilts
20/22 The Bridge, Chippenham, Wilts

47 Union Street, Aldershot, Hants

Long Leasehold Properties

Supermarket, 41 St John's Way, Corringham, Essex

Short Leasehold Properties

Ground and First Floors of Star House, 104/108 Grafton Road, London, NW5

Market Value represents the trustees' best estimate of the values of the investment properties at the year end. In addition, ground rents of £1,060 are included above.

Historical acquisition value £2,417,165

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

13	Investment property	(Continued)	
		2021	2020
		£	£
	Freehold	2,550,000	2,820,000
	Long leasehold	400,000	400,000
	Short leasehold	250,000	300,000
		<u>3,200,000</u>	<u>3,520,000</u>
14	Fixed asset investments		
			Quoted Securities (Non-UK)
			£
	Cost or valuation		
	At 6 April 2020 & 5 April 2021		1,030
			<u>1,030</u>
	Carrying amount		
	At 05 April 2021		1,030
			<u>1,030</u>
	At 05 April 2020		1,030
			<u>1,030</u>
15	Financial instruments	2021	2020
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	1,030	1,030
		<u>1,030</u>	<u>1,030</u>
16	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Other debtors	1,547	2,056
	Prepayments and accrued income	68,769	43,065
		<u>70,316</u>	<u>45,121</u>

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		9,335	611
Deferred income	18	37,559	37,098
Other creditors		1,984	1,983
Accruals and deferred income		12,510	7,054
		<u>61,388</u>	<u>46,746</u>

18 Deferred income

	2021 £	2020 £
Arising from rental income	<u>37,559</u>	<u>37,098</u>

The income deferred in the current year is £37,559 (2020: £37,098) with amounts released in the year of £37,098 (2020: £49,906). This is deferred as rental income was received relating to a period post 5 April 2021.

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 6 April 2019 £	Transfers £	Revaluations, gains and losses £	Balance at 6 April 2020 £	Transfers £	Balance at 5 April 2021 £
Tangible fixed assets	4,068	5,021	-	9,089	(1,363)	7,726
Fixed asset investments	1,030	-	-	1,030	-	1,030
Investment property	3,876,060	-	(355,000)	3,521,060	(320,000)	3,201,060
	<u>3,881,158</u>	<u>5,021</u>	<u>(355,000)</u>	<u>3,531,179</u>	<u>(321,363)</u>	<u>3,209,816</u>

The designated fund represent the net book value of fixed assets and have been created as these represent funds not immediately available for charitable grants or for the promotion and support of education in the field of racial harmony (interfaith activities). Each year an amount is transferred to or from these funds which represents the movements in the net book value of fixed assets in the year.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

20 Analysis of net assets between funds

	General Reserves	Designated funds- Fixed Assets	Total	General Reserves	Designated funds- Fixed Assets	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 5 April 2021 are represented by:						
Tangible assets	-	7,726	7,726	-	9,089	9,089
Investment properties	-	3,201,060	3,201,060	-	3,521,060	3,521,060
Investments	-	1,030	1,030	-	1,030	1,030
Current assets/(liabilities)	405,299	-	405,299	496,038	-	496,038
	<u>405,299</u>	<u>3,209,816</u>	<u>3,615,115</u>	<u>496,038</u>	<u>3,531,179</u>	<u>4,027,217</u>

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

21 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	4,000	4,000
Between two and five years	1,940	5,940
	<u>5,940</u>	<u>9,940</u>

During the year the charity leased premises at a commercial rental of £4,000 (2020: £4,000) per annum all of which is recognised as an expense. The lease is for a period of 42 years from 29 September 2012 subject to the charity's right to determine the lease on expiry of the tenth, twentieth, thirtieth or fortieth years of the term of the lease. Accordingly, the future rental payable if the lease is determined on 29 September 2022 is as stated above.

22 Related party transactions

Finer Homes Limited

The Charity leased office premises from Finer Homes Limited, a company of which Martin Slowe and Noam Tamir are directors, at a rent of £4,000 per annum for the year to 5 April 2021 (2020: £4,000). Finer Homes Limited was entitled to receive £23,883 (2020: £35,428) from the charity relating to service charges.

The Charity leases part of one of its premises to a relation of one of the Trustees for a commercial rent of £5,000 per annum (2020: £5,000) the rate having been independently assessed.

Martin Slowe Property Services Limited (MSPS)

Martin Slowe Property Services Limited (MSPS) is property manager of the charity. Martin Slowe, a chartered surveyor, is neither a director nor an employee nor a shareholder of MSPS and has not received any remuneration from MSPS. A consultancy fee of £36,000 (2020: £36,000) was paid by MSPS to Martin Slowe Consultancy Limited.

Faith and Belief Forum

The Charity made a grant to the Faith and Belief Forum of £170,864 (2020: £175,264) a charity of which Michael Sternberg QC and Noam Tamir are trustees. A donation towards the office costs of £20,260 (2020: £23,141) was also made.

New Israel Fund

£5,000 (2020: £5,000) was granted to the New Israel Fund a charity of which Noam Tamir and Martin Paisner CBE.

THE SIR SIGMUND STERNBERG CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

23 Contingent asset - legacy receivable

The balance of the residuary estate of the late Sir Sigmund Sternberg, whatever that eventually may amount to, is held for the trustees of the charitable foundation.

Under the will of the late Sir Sigmund Sternberg, who died on 18 October 2016, this charity was left whatever might be left within the residuary estate of the deceased, after inter alia (1) All the costs of the administration of the estate had been discharged; (2) The payment of all inheritance tax and all other taxes had been completed; (3) The payment of all specific bequests; and (4) the exercise by the Executors of the Estate of powers expressly conferred upon them under the will of the testator.

When the estate is wound up, the residuary estate is likely to comprise a significant number of "A" ordinary shares in Starmount (Securities) Ltd. This is an unquoted property investment company. The value of this bequest of the residuary estate is not currently ascertainable, inter alia because the administration of the estate is continuing. Whilst there is clarity over the description of the gift under the terms of the will, reasonably it has not been brought into account in these financial statements of this Charity for the year ended 5 April 2021, principally because its ultimate extent and its value when it vests is currently unknown.

Michael Sternberg QC and Noam Tamir are Executors of the Estate of the late Sir Sigmund Sternberg; they are also together with Martin Slowe, Directors of Starmount (Securities) Limited

24 Contingent liability

The charity owns a long lease of two floors at Star House, 105, Grafton Road, Kentish Town, London NW5 4BA . The lease contains a qualified repairing covenant so the Charity has in this respect a liability to the freeholder of the building which is a firm called Finer Homes Limited. Three of the trustees of the charity are directors of Finer Homes Limited and the shares in Finer Homes Limited are held currently by the executors of the estate of the late Sir Sigmund Sternberg, who are themselves also trustees of the charity. In the year covered by these accounts no issues arose in relation to these relationships or the liability.

However it is likely that in succeeding years matters will arise requiring payment by the charity towards its repairing obligations under the lease. At that point the trustees of the charity will take expert building surveying advice. It is not possible at this stage to quantify what those liabilities might amount to.