

THE STUART YOUNG FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE STUART YOUNG FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|---|------------------------------|
| Trustees | Rt Hon Lord Young of Graffham CH Lesley Aaronson Henry Grunwald Ernest Arthur Kochmann Martin Paisner CBE Lady Karen Rix Shirley Young Mark Mishon | (Appointed 21 December 2020) |
| Charity number | 296318 | |
| Principal address | Payne Hicks Beach 10 New Square Lincoln's Inn London WC2A 3QG | |
| Independent examiner | Andrew Rich c/o HW Fisher LLP Chartered Accountant Acre House 11-15 William Road London NW1 3ER | |
| Bankers | Barclays Bank PLC 99 Hatton Garden London EC1N 8DN HSBC plc 18 Ballards Lane London N3 2BH | |
| Solicitors | Payne Hicks Beach 10 New Square Lincoln's Inn London WC2A 3QG | |
| Investment advisors | Veritas Investment Management LLP 90 Long Acre London WC2E 9RA | |

THE STUART YOUNG FOUNDATION

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THE STUART YOUNG FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

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 trust'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 objectives are to apply the capital and income of the trust fund for such charitable purposes as the trustees in their absolute discretion think fit.

All proposals for grants are generated internally and the trustees advise that external applications for funding will not be considered.

Public Benefit

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

Achievements and performance

During the year 24 grants to individuals (2019: 30) totalling £28,000 (2019: £37,000) were approved. The trustees consider that these represent an appropriate exercise of their discretionary powers.

Financial review

The trust relies on the income from its investments which amounted to £12,418 (2019: £13,341) for the year ended 31 December 2020.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. The level of unrestricted funds at 31 December 2020 were £531,529 (2019: £468,029) and restricted funds were £625,317 (2019: 650,817).

Investment policy

There are no restrictions on the trust's power to invest and the trustees have not adopted an ethical investment policy. The investment managers have been instructed to manage the portfolio on the basis of greatest income consistent with security and protection. Investment performance during the year was considered satisfactory.

Risk Management

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. In particular, the trustees have delegated the management of their portfolio to a reputable firm of investment managers and subject their performance to regular review.

The trustees have no immediate plans to modify or radically change any of the objects, activities or policies described above.

THE STUART YOUNG FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The trust is an unincorporated body, constituted under a trust deed dated 20 February 1987 and is a registered charity. The trust was established by an initial gift of £1,000 from Mrs Shirley Young. The trust does not actively fundraise, however it maintains a careful stewardship of its existing resources.

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

Rt Hon Lord Young of Graffham CH

Lesley Aaronson

Henry Grunwald

Ernest Arthur Kochmann

Martin Paisner CBE

Michael Phillips (Deceased August 2020)

Lady Karen Rix

Shirley Young

Mark Mishon (Appointed December 2020)

The trust deed provides a minimum of three trustees and a maximum of seven trustees. The power of appointing new or additional trustees is exercisable by the trustees. The trustees meet at such intervals as they consider appropriate.

The trust has no full or part time employees to assist in the running of the charity.

On behalf of the board of trustees

Lesley Aaronson

Trustee

Dated: 3 December 2021

Martin Paisner CBE

Trustee

Dated: 3 December 2021

THE STUART YOUNG FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE STUART YOUNG FOUNDATION

I report to the trustees on my examination of the financial statements of The Stuart Young Foundation (the trust) for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.
- 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 financial statements to be reached.

Andrew Rich
c/o HW Fisher LLP
Chartered Accountant
Acre House
11-15 William Road
London
NW1 3ER

Dated: 6 December 2021

THE STUART YOUNG FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

| | | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 3 | - | 13,500 | 13,500 | - | 669,317 | 669,317 |
| Investments | 4 | 12,418 | - | 12,418 | 13,341 | - | 13,341 |
| Total income | | 12,418 | 13,500 | 25,918 | 13,341 | 669,317 | 682,658 |
| Expenditure on: | | | | | | | |
| Raising funds | 5 | 3,347 | - | 3,347 | 6,392 | - | 6,392 |
| Charitable activities | 6 | 47,753 | 39,000 | 86,753 | 41,747 | 18,500 | 60,247 |
| Total resources expended | | 51,100 | 39,000 | 90,100 | 48,139 | 18,500 | 66,639 |
| Net gains/(losses) on investments | 11 | 102,182 | - | 102,182 | 57,021 | - | 57,021 |
| Net movement in funds | | 63,500 | (25,500) | 38,000 | 22,223 | 650,817 | 673,040 |
| Fund balances at 1 January 2020 | | 468,029 | 650,817 | 1,118,846 | 445,806 | - | 445,806 |
| Fund balances at 31 December 2020 | | 531,529 | 625,317 | 1,156,846 | 468,029 | 650,817 | 1,118,846 |

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

All income and expenditure derive from continuing activities.

THE STUART YOUNG FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Investments | 12 | | 1,050,026 | | 752,844 |
| Current assets | | | | | |
| Cash at bank and in hand | | 118,013 | | 370,142 | |
| Creditors: amounts falling due within one year | 13 | (11,193) | | (4,140) | |
| Net current assets | | | 106,820 | | 366,002 |
| Total assets less current liabilities | | | 1,156,846 | | 1,118,846 |
| Income funds | | | | | |
| Restricted funds | 14 | | 625,317 | | 650,817 |
| Unrestricted funds | | | 531,529 | | 468,029 |
| | | | 1,156,846 | | 1,118,846 |

The financial statements were approved by the Trustees on 3 December 2021

Lesley Aaronson
Trustee

Martin Paisner CBE
Trustee

THE STUART YOUNG FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

| | | 2020 | | 2019 | |
|---|-------|-----------|-----------|-----------|-----------|
| | Notes | £ | £ | £ | £ |
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 17 | | (69,547) | | 602,918 |
| Investing activities | | | | | |
| Purchase of investments | | (195,000) | | (764,884) | |
| Proceeds on disposal of investments | | - | | 473,902 | |
| Investment income received | | 12,418 | | 13,341 | |
| Net cash used in investing activities | | | (182,582) | | (277,641) |
| Net cash used in financing activities | | | - | | - |
| Net (decrease)/increase in cash and cash equivalents | | | (252,129) | | 325,277 |
| Cash and cash equivalents at beginning of year | | | 370,142 | | 44,865 |
| Cash and cash equivalents at end of year | | | 118,013 | | 370,142 |

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Stuart Young Foundation is a charity registered in England and Wales constituted under a trust deed dated 20 February 1987. The registered office is Payne Hicks Beach, 10 New Square, Lincoln's Inn, London, WC2A 3QG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust'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 from 1 January 2019). The trust is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The trustees have considered the effect of the prolonged Covid-19 outbreak. The trustees consider that the outbreak is unlikely to impact the charity or its activities.

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 continue 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.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Dividends arising on equity investments are accounted for in the year they are due and receivable.

Interest receivable on fixed interest securities and cash deposits is accrued.

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal and 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. All expenses, including support costs and governance costs, are allocated to the one charitable activity in the statement of financial activities.

The costs of generating funds consist of investments management fees.

Costs of charitable activities include grants made. Grants payable are payments made to third parties in the furtherance of the charity's objectives. The grants are accounted for where either trustees have agreed to pay a grant without condition and the recipient has a reasonable expectation that they receive a grant, or any condition attaching to the grant is outside the control of the charity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 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.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The charity only has financial assets and financial liabilities 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 trust'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.

The Trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

| | Restricted funds | Restricted funds |
|---------------------|---------------------|---------------------|
| | 2020 | 2019 |
| | £ | £ |
| Donations and gifts | 13,500 | 669,317 |
| | <u>13,500</u> | <u>669,317</u> |

4 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2020 | 2019 |
| | £ | £ |
| Dividends | 12,376 | 13,286 |
| Interest receivable | 42 | 55 |
| | <u>12,418</u> | <u>13,341</u> |

5 Raising funds

| | Unrestricted funds | Unrestricted funds |
|-----------------------------|-----------------------|-----------------------|
| | 2020 | 2019 |
| | £ | £ |
| Investment management costs | 3,347 | 6,392 |
| | <u>3,347</u> | <u>6,392</u> |

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

| | Grants payable 2020 £ | Grants payable 2019 £ |
|--|-----------------------------|-----------------------------|
| Grant funding of activities (see note 7) | 67,000 | 55,500 |
| Share of support costs (see note 8) | 12,913 | 367 |
| Share of governance costs (see note 8) | 6,840 | 4,380 |
| | <u>86,753</u> | <u>60,247</u> |
| Analysis by fund | | |
| Unrestricted funds | 47,753 | 41,747 |
| Restricted funds | 39,000 | 18,500 |
| | <u>86,753</u> | <u>60,247</u> |

7 Grants payable

| | 2020 £ | 2019 £ |
|-------------------------|---------------|---------------|
| Grants to individuals | 67,000 | 55,500 |
| | <u>67,000</u> | <u>55,500</u> |
| Analysis by fund | | |
| Unrestricted funds | 28,000 | 37,000 |
| Restricted funds | 39,000 | 18,500 |
| | <u>67,000</u> | <u>55,500</u> |

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

| | Support costs | Governance costs | 2020 | Support costs | Governance costs | 2019 |
|--|---------------|------------------|---------------|---------------|------------------|--------------|
| | £ | £ | £ | £ | £ | £ |
| IT expenses | - | - | - | 367 | - | 367 |
| Professional fees | 5,213 | - | 5,213 | - | - | - |
| Admin fee | 7,700 | - | 7,700 | - | - | - |
| Independent examination fees | - | 6,840 | 6,840 | - | 4,380 | 4,380 |
| | <u>12,913</u> | <u>6,840</u> | <u>19,753</u> | <u>367</u> | <u>4,380</u> | <u>4,747</u> |
| Analysed between Charitable activities | <u>12,913</u> | <u>6,840</u> | <u>19,753</u> | <u>367</u> | <u>4,380</u> | <u>4,747</u> |

Governance costs includes payment to the examiner of £6,840 (2019: £4,380) for the Independent Examination fees.

9 Trustees

None of the trustees (or any persons connected with them) received reimbursed expenses, or benefits from the trust during the year.

10 Employees

There were no employees during the year.

11 Net gains/(losses) on investments

| | Unrestricted funds | Unrestricted funds |
|------------------------------------|--------------------|--------------------|
| | 2020 | 2019 |
| | £ | £ |
| Revaluation of investments | 102,182 | 20,680 |
| Gain/(loss) on sale of investments | - | 36,341 |
| | <u>102,182</u> | <u>57,021</u> |

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed asset investments

| | Listed investments £ |
|--------------------------|-------------------------|
| Cost or valuation | |
| At 1 January 2020 | 752,844 |
| Additions | 195,000 |
| Valuation changes | 102,182 |
| | <hr/> |
| At 31 December 2020 | 1,050,026 |
| | <hr/> |
| Carrying amount | |
| At 31 December 2020 | 1,050,026 |
| | <hr/> <hr/> |
| At 31 December 2019 | 752,844 |
| | <hr/> <hr/> |

13 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|-------------|-------------|
| Other creditors | 5,793 | - |
| Accruals and deferred income | 5,400 | 4,140 |
| | <hr/> | <hr/> |
| | 11,193 | 4,140 |
| | <hr/> <hr/> | <hr/> <hr/> |

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | Movement in funds | | |
|-----------------------------|-----------------------|-----------------------|------------------------------|-----------------------|-----------------------|-----------------------------------|
| | Incoming resources | Resources expended | Balance at 1 January 2020 | Incoming resources | Resources expended | Balance at 31 December 2020 |
| | £ | £ | £ | £ | £ | £ |
| Leo Baeck Fund | 669,317 | (18,500) | 650,817 | - | (26,000) | 624,817 |
| Aja Karten Scholarship Fund | - | - | - | 13,500 | (13,000) | 500 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 669,317 | (18,500) | 650,817 | 13,500 | (39,000) | 625,317 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Leo Baeck Fund: To promote the advancement of education and in particular by the provision of awards (known as the Leo Baeck Awards) for Jewish post-graduate students.

Aja Karten Scholarship Fund : To promote the advancement of students education.

THE STUART YOUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Analysis of net assets between funds

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2020 are represented by: | | | | | | |
| Investments | 424,709 | 625,317 | 1,050,026 | 152,844 | 600,000 | 752,844 |
| Current assets/(liabilities) | 106,820 | - | 106,820 | 315,185 | 50,817 | 366,002 |
| | <u>531,529</u> | <u>625,317</u> | <u>1,156,846</u> | <u>468,029</u> | <u>650,817</u> | <u>1,118,846</u> |

16 Related party transactions

There were no disclosable related party transactions during the (2019 - none).

17 Cash generated from operations

| | 2020 £ | 2019 £ |
|---|-----------------|----------------|
| Surplus for the year | 38,000 | 673,040 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (12,418) | (13,341) |
| Gain on disposal of investments | - | (36,341) |
| Fair value gains and losses on investments | (102,182) | (20,680) |
| Movements in working capital: | | |
| Increase in creditors | 7,053 | 240 |
| Cash (absorbed by)/generated from operations | <u>(69,547)</u> | <u>602,918</u> |

18 Analysis of changes in net funds

The trust had no debt during the year.