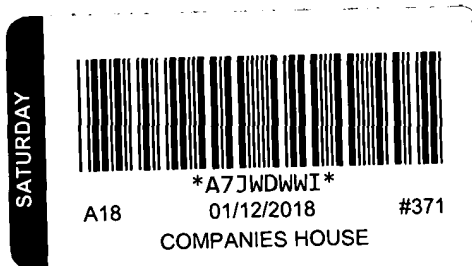


COMPANY REGISTRATION NUMBER: 05213113
CHARITY REGISTRATION NUMBER: 1105843

S F Foundation
Company Limited by Guarantee
Financial Statements
31 January 2018



COHEN ARNOLD
Chartered accountant & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

S F Foundation
Company Limited by Guarantee
Financial Statements
Year ended 31 January 2018

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Statement of financial position	11
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S F Foundation
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 January 2018

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 January 2018.

Reference and administrative details

Registered charity name	S F Foundation
Charity registration number	1105843
Company registration number	05213113
Principal office and registered office	143 Upper Clapton Road London E5 9DB

The trustees

Hannah Lipschitz
Rifka Niederman
Miriam Schreiber

Company secretary	Rifka Niederman
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Auditor	Cohen Arnold Chartered accountant & statutory auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU
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Bankers	HSBC Bank Plc 39 High Street Ashford Kent TN24 8TG
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Solicitors	Michael Lopian Lawyers INC Maybrook House 40 Black Friars Street Manchester M3 2EG
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S F Foundation
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 January 2018

Structure, governance and management

Governing document

The charity is a company limited by guarantee and as such, its governing documents are its Memorandum and Articles of Association.

Appointment Training and Recruitment of Trustees

As set out in the Articles of Association the number of trustees shall be not less than three but shall not be subject to any maximum.

The charity may by ordinary resolution appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee. A trustee shall cease to hold office by virtue of Article 35 of the Articles of Association.

It is not currently the intention of the trustees of the charity to appoint new trustees. Should the situation change in the future, the trustees will apply suitable recruitment and training procedures.

The quorum for the transaction of the business of the trustees may be fixed by the trustees but shall not be less than the majority of their number or two trustees, whichever is the greater.

None of the trustees have any beneficial interest in the charity.

RISK MANAGEMENT

The trustees have identified and reviewed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate those risks.

Financial risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) to generate funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meet its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

S F Foundation
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 January 2018

Objectives and activities

Objects

The objects of the charity are:

- i) the advancement and furtherance of the Jewish Religion and Jewish Religious education and the alleviation of poverty among the Jewish community throughout the world.
- ii) other charitable activities that the trustees may from time to time determine.

Aims, objectives and activities for public benefit

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

The charity was set up to support the activities of religious Jewish organisations especially in the field of education. The trustees identify institutions and organisations which meet its criteria and regularly support a number of these institutions and organisations, both in England and abroad.

The charity is also supportive of organisations which are solely committed to the relief of poverty. Such organisations assist needy Jewish families financially and through the distribution of basic necessities. The trustees continued their support of those organisations deemed to promote the objects of the charity.

During the year, the charity made donations to institutions in accordance with the charity's objects for advancement of education and relief of poverty. These activities were undertaken for public benefit to further the charity's objectives.

Strategic report

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

Achievements and performance

During the year the charity continued its activities and maintained its support of religious educational and other charitable institutions in England and abroad.

Financial review

The charity is dependent on income from voluntary donations and investments as stated in note 5 and note 6 of the financial statements. The charity's incoming resources have decreased to £4.02m (2017 £5.7m). Expenditure on investment management costs and charitable activities were £5.1m (2017 £3.9m). The deficit of £0.5m was funded from reserves.

S F Foundation
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 January 2018

Plans for future periods

The charity plans continuing the activities outlined above in the coming years subject to incoming resources being maintained at a satisfactory level. It is the trustees aim to ensure future income stream by the acquisition of investments, the income of which will reduce its dependence on voluntary donations.

GRANT MAKING POLICY

The charity accepts applications for grants from representatives of various charities, which are reviewed by the trustees on a regular basis.

INVESTMENT POWERS AND POLICY

In accordance with the Memorandum and Articles of Association, the charity has the power to make any investments which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the Trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year. The trustees have assessed both the risks that their charity faced and the charity's ability to manage their financial impact. As at 31st January 2018 the Charity had approximately £39.6m Unrestricted Funds excluding tangible assets (including £10.3m revaluation reserve) as described in Note 21 to the Financial Statements. The composition of this reserve is as shown in Note 22.

FIXED ASSETS

The movements in fixed assets are fully reflected in the notes 16 and 17 to the financial statements.

INVESTMENTS

The charity's investment properties are held by Alta Investments Limited, Finestrand Limited, Gresley Doncaster Limited, Midos London Limited, Pearcorn Limited, Singlevalley Limited, SF Residential Limited, Wakefield Investments (UK) Limited, Wellingflow Limited, Letaher Limited, Chester Beech Limited, Morstar Investments Limited, Leafy Investments Limited, Gateminster Limited, Turnbury Limited, Alexandra Swansea Limited, Tamlink Limited and Fender Limited all of which act as bare trustees. During the year, the charity sold its investment held by Wellingflow Limited. The income and expenditure arising from these property investments is reflected in these financial statements.

Investment properties are included in the financial statements at trustees' valuation; in accordance with the Charities SORP FRS 102. All the trustees have experience in the field of property valuation.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, 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).

S F Foundation
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 January 2018

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 28 November 2018 and signed on behalf of the board of trustees by:


Rifka Niederman
Trustee

S F Foundation
Company Limited by Guarantee
Independent Auditor's Report to the Members of S F Foundation
Year ended 31 January 2018

Opinion

We have audited the financial statements of S F Foundation (the 'charity') for the year ended 31 January 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of 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).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

S F Foundation
Company Limited by Guarantee
Independent Auditor's Report to the Members of S F Foundation *(continued)*
Year ended 31 January 2018

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. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

S F Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of S F Foundation *(continued)*

Year ended 31 January 2018

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

S F Foundation
Company Limited by Guarantee
Independent Auditor's Report to the Members of S F Foundation *(continued)*
Year ended 31 January 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Moshe Broner-Cohen (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered accountant & statutory auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

28 November 2018

S F Foundation
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
31 January 2018

		2018		2017
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	1,527,000	1,527,000	1,903,300
Investment income	6	2,491,378	2,491,378	3,826,232
Total income		<u>4,018,378</u>	<u>4,018,378</u>	<u>5,729,532</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	(1,615,116)	(1,615,116)	(1,237,520)
Expenditure on charitable activities	8,9	(3,487,235)	(3,487,235)	(2,724,904)
Total expenditure		<u>(5,102,351)</u>	<u>(5,102,351)</u>	<u>(3,962,424)</u>
Net gains on investments	12	554,804	554,804	25,572
Net (expenditure)/income		<u>(529,169)</u>	<u>(529,169)</u>	<u>1,792,680</u>
Other recognised gains and losses				
Gains from revaluation of fixed assets		1,106,546	1,106,546	3,567,498
Net movement in funds		577,377	577,377	5,360,178
Reconciliation of funds				
Total funds brought forward		39,061,201	39,061,201	33,701,023
Total funds carried forward		<u>39,638,578</u>	<u>39,638,578</u>	<u>39,061,201</u>

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

The notes on pages 13 to 23 form part of these financial statements.

S F Foundation
Company Limited by Guarantee
Statement of Financial Position
31 January 2018

		2018	2017
		£	£
Fixed assets			
Tangible fixed assets	16	13,856	19,010
Investments	17	35,265,000	35,346,849
		<u>35,278,856</u>	<u>35,365,859</u>
Current assets			
Debtors	18	11,559,787	11,316,813
Cash at bank and in hand		2,309,080	2,569,007
		<u>13,868,867</u>	<u>13,885,820</u>
Creditors: amounts falling due within one year	19	(2,690,456)	(3,854,235)
Net current assets		<u>11,178,411</u>	<u>10,031,585</u>
Total assets less current liabilities		<u>46,457,267</u>	<u>45,397,444</u>
Creditors: amounts falling due after more than one year	20	(6,818,689)	(6,336,243)
Net assets		<u>39,638,578</u>	<u>39,061,201</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		10,290,736	9,286,898
Other unrestricted income funds		29,347,842	29,774,303
Total unrestricted funds		<u>39,638,578</u>	<u>39,061,201</u>
Total charity funds	21	<u>39,638,578</u>	<u>39,061,201</u>

These financial statements were approved by the board of trustees and authorised for issue on 28 November 2018, and are signed on behalf of the board by:



Rifka Niederman
Trustee

The notes on pages 13 to 23 form part of these financial statements.

S F Foundation
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 January 2018

	2018 £	2017 £
Cash flows from operating activities		
Net (expenditure)/income	(529,169)	1,792,680
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	4,974	6,219
Net gains on investments	(554,804)	(25,572)
Dividends, interest and rents from investments	(2,357,771)	(2,346,359)
Other interest receivable and similar income	(133,607)	(1,479,873)
Accrued (income)/expenses	(33,146)	4,980
<i>Changes in:</i>		
Trade and other debtors	246,263	(726,639)
Trade and other creditors	(906,698)	495,784
Cash generated from operations	(4,263,958)	(2,278,780)
Interest paid	(480)	(14,192)
Interest received	(355,630)	811,146
Net cash used in operating activities	(4,620,068)	(1,481,826)
Cash flows from investing activities		
Dividends, interest and rents from investments	2,357,771	2,346,359
Purchase of tangible assets	(1,594)	-
Proceeds from sale of tangible assets	1,774	-
Proceeds from sale of subsidiaries	55,083	-
Purchases of other investments	(152,885)	(2,927,272)
Proceeds from sale of other investments	1,841,001	1,925,572
Net cash from investing activities	4,101,150	1,344,659
Cash flows from financing activities		
Proceeds from borrowings	258,991	693,712
Net cash from financing activities	258,991	693,712
Net (decrease)/increase in cash and cash equivalents	(259,927)	556,545
Cash and cash equivalents at beginning of year	2,569,007	2,012,462
Cash and cash equivalents at end of year	2,309,080	2,569,007

The notes on pages 13 to 23 form part of these financial statements.

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 January 2018

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 143 Upper Clapton Road, London, E5 9DB.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

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

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 25% reducing balance

Investments

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

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

Investment property

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

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

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

Impairment of fixed assets

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

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

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

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

3. Accounting policies *(continued)*

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

4. Limited by guarantee

The charity is a company limited by guarantee and as such, its governing documents are its Memorandum and Articles of Association.

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 January 2018

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations				
Donations receivable	<u>1,527,000</u>	<u>1,527,000</u>	<u>1,903,300</u>	<u>1,903,300</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Income from UK investment properties	2,357,771	2,357,771	2,346,359	2,346,359
Bank interest receivable	38	38	190	190
Loan interest receivable	592,817	592,817	813,465	813,465
Foreign currency exchange (losses)/ gains	(459,248)	(459,248)	666,218	666,218
	<u>2,491,378</u>	<u>2,491,378</u>	<u>3,826,232</u>	<u>3,826,232</u>

7. Investment management costs

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Interest payable and similar charges	351,834	351,834	410,042	410,042
Investment management costs	1,261,661	1,261,661	826,868	826,868
Bank charges	1,621	1,621	610	610
	<u>1,615,116</u>	<u>1,615,116</u>	<u>1,237,520</u>	<u>1,237,520</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations paid	3,456,169	3,456,169	2,693,289	2,693,289
Support costs	31,066	31,066	31,615	31,615
	<u>3,487,235</u>	<u>3,487,235</u>	<u>2,724,904</u>	<u>2,724,904</u>

9. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2018 £	Total fund 2017 £
Donations paid	3,456,169	–	3,456,169	2,693,289
Governance costs	–	31,066	31,066	31,615
	<u>3,456,169</u>	<u>31,066</u>	<u>3,487,235</u>	<u>2,724,904</u>

The charity has during the year made charitable donations to various institutions and individuals and the donations have been made for general charitable purposes. The donations can be analysed as follows:

	£
Advancement of Jewish Religion and Education	2,407,421
Grants to other grant making charities	956,678
Relief of Poverty	90,070
Total	<u>3,454,169</u>

10. Analysis of support costs

	Audit fees £	General expenses £	Total 2018 £	Total 2017 £
Governance costs	<u>30,627</u>	<u>439</u>	<u>31,066</u>	<u>31,615</u>

11. Analysis of grants

	2018 £	2017 £
Grants to institutions		
Beit Medresh Yetev Lev	423,849	71,787
Chasdei Aharon Limited	114,600	40,000
Chevrass Mo'oz Ladol	243,697	112,180
Darkei Chesed	–	140,282
Friends of Yeshivas Das Sholom	122,000	–
Kesef Limited	100,000	–
Gevurath Ari Academy Trust	–	300,000
Kehal Chasidei Jerusalem	68,056	97,704
Mateh Aharon Institutions	56,250	289,550
Lolev Trust	146,500	–
Start Upright	115,000	–
Rentrust Foundation Limited	61,275	81,780
Shekel Hatoher	–	73,614
Taharat Aharon	80,915	193,074
Tchabe Kollel Limited	360,000	110,000
Cong. MosdosToldos Aharon	78,260	95,807
United Talmudical Associates	100,120	42,040
Tzedakot Ramou	–	71,788
Donations < £90,000	1,385,647	973,683
Total grants	<u>3,456,169</u>	<u>2,693,289</u>

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 January 2018

12. Net gains on investments

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Gains on investment property	499,721	499,721	25,572	25,572
Gains on disposal of nominee companies	55,083	55,083	—	—
	<u>554,804</u>	<u>554,804</u>	<u>25,572</u>	<u>25,572</u>

13. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets	4,974	6,219
Fees payable for the audit of the financial statements	<u>30,627</u>	<u>31,022</u>

14. Staff costs

There were no employees other than the trustees during the year.

15. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; and
- no trustee expenses were borne by the charity.

16. Tangible fixed assets

	Fixtures and fittings £	Total £
Cost		
At 1 February 2017	44,405	44,405
Additions	1,594	1,594
Disposals	(1,774)	(1,774)
At 31 January 2018	<u>44,225</u>	<u>44,225</u>
Depreciation		
At 1 February 2017	25,395	25,395
Charge for the year	4,974	4,974
At 31 January 2018	<u>30,369</u>	<u>30,369</u>
Carrying amount		
At 31 January 2018	<u>13,856</u>	<u>13,856</u>
At 31 January 2017	<u>19,010</u>	<u>19,010</u>

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

17. Investments

	Investment properties £
Cost or valuation	
At 1 February 2017	35,346,849
Additions	152,885
Disposals	(1,341,280)
Fair value movements	1,106,546
At 31 January 2018	<u>35,265,000</u>
Impairment	
At 1 February 2017 and 31 January 2018	
Carrying amount	
At 31 January 2018	<u>35,265,000</u>
At 31 January 2017	<u>35,346,849</u>

The above carrying amounts are recognised as follows:

	Investment properties £
At 31 January 2018	
Held at fair value	35,265,000
Held at historical cost less impairment	<u>24,974,264</u>
At 31 January 2017	
Held at fair value	35,346,849
Held at historical cost less impairment	<u>26,162,749</u>

Investment properties

All investment properties are stated at fair value. The properties have been valued by the trustees who are considered to have the experience and expertise required to undertake such an exercise. The valuation was made on an open market value basis by reference to market evidence available for similar properties in the same location taking into account the age and condition of the properties.

18. Debtors

	2018 £	2017 £
Trade debtors	1,596,154	1,719,366
Prepayments and accrued income	1,350,035	886,874
Investment Loans	8,092,890	8,185,632
Other debtors	520,708	524,941
	<u>11,559,787</u>	<u>11,316,813</u>

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

18. Debtors *(continued)*

Included in Investment loans is £2,234,940 (2017: £2,511,842) which is secured by a promissory note and a pledge on investments in FPG SG Lincoln Street, LLC, a Delaware Limited Partnership. It bears interest at 7% per annum and is repayable before December 2020.

The majority of the investment loans are repayable on demand and are secured and yield interest at between 7 and 11 per cent p.a., with the exception of:

(a) a loan of £2.24m which is repayable within 3 years and bears interest at 7% p.a.

(b) loans £1m advanced to a property company controlled by a family member of the trustees. This loan has been partly repaid after the year end and is fully secured and bears interest at 6% p.a.

19. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	1,374,525	1,597,980
Trade creditors	935,414	775,911
Accruals and deferred income	152,309	185,935
Social security and other taxes	34,863	53,838
Other Creditors	24,682	41,280
Loan Creditors	168,663	1,199,291
	<u>2,690,456</u>	<u>3,854,235</u>

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

	2018	2017
	£	£
Bank loans and overdrafts	<u>6,818,689</u>	<u>6,336,243</u>

Included within creditors: amounts falling due after more than one year is an amount of £(6,818,689) (2017: £(6,336,243)) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Bank loans and overdrafts are secured by way of fixed legal charges over the charity's investment properties.

Analysis of Loans:

	Total Funds 2018	Total Funds 2017
	£	£
Not wholly repayable within five years by instalments	8,193,214	7,934,223
Included in current liabilities	<u>(1,374,525)</u>	<u>(1,597,980)</u>
	<u>6,818,689</u>	<u>6,336,243</u>

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 January 2018

20. Creditors: amounts falling due after more than one year (continued)

Loan maturity analysis:

	Total Funds 2018	Total Funds 2017
	£	£
In more than one year but no more than two years	74,522	97,967
In more than two years but not more than five years	1,495,799	910,566
In more than five years	5,248,368	5,327,710

21. Analysis of charitable funds

Unrestricted funds

	At 1 Feb 2017	Income	Expenditure	Transfers	Gains and losses	At 31 Jan 2018
	£	£	£	£	£	£
General funds	29,774,303	4,018,378	(5,102,351)	102,708	554,804	29,347,842
Revaluation reserve	9,286,898	–	–	(102,708)	1,106,546	10,290,736
	<u>39,061,201</u>	<u>4,020,378</u>	<u>(5,102,351)</u>	<u>–</u>	<u>1,661,350</u>	<u>39,638,578</u>

22. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£
Tangible fixed assets	35,278,856	35,278,856	35,365,859
Current assets	13,868,867	13,868,867	13,885,820
Creditors less than 1 year	(2,690,456)	(2,690,456)	(3,854,235)
Creditors greater than 1 year	(6,818,689)	(6,818,689)	(6,336,243)
Net assets	<u>39,638,578</u>	<u>39,638,578</u>	<u>39,061,201</u>

S F Foundation
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 January 2018

23.- Related parties

During the year the charity received the following donations from entities/individuals connected with the trustees.

	2018	2017
	£	£
Lakeview Investments Limited	105,000	—
Peterborough Rightwell Limited	112,000	—
Sudbury Properties Limited	137,250	150,000
Ritz Properties Limited	100,000	—
Midos Companies	410,000	100,000
West Pimbo Limited	—	1,000,000
Cityfield Investments Limited	—	200,000
Tabernacle House Limited	—	100,000
David Schreiber	125,000	—
Donations < £100,000	527,335	353,300

Included in investment management costs is £1,700 (2017: £2,550) paid to Midos Property Management Limited a company connected with the trustees. The management fee is charged at beneficial rates.