

Charity Registration No. 1114236

SANDHU CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

SANDHU CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees B. S. Sandhu (Chairman and Founder)
P Sandhu (Co-founder)

Administrator and Secretary to the Trustees N Steele

Charity number 1114236

Principal address c/o The Santon Group
Santon House
53-55 Uxbridge Road
Ealing, London W5 5SA

Website www.thesantongroup.com/charity

Independent Auditors Gerald Edelman
73 Cornhill
London
EC3V 3QQ

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Stockbrokers The Share Centre
PO Box 2000
Aylesbury
Bucks
HP21 8ZB

Julius Baer International Ltd
1 St Martin's Le Grand
London
EC1A 4AS

SANDHU CHARITABLE FOUNDATION

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SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their annual report and accounts for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The Charity was established as the long term focus for the philanthropic activities of Bim and Pardeep Sandhu and their family. It is anticipated that they will remain the prime donors of the Foundation for the foreseeable future as the Foundation does not actively fund-raise. It will seek to continue the charitable work desired by the funders through the stewardship of its existing resources and by any further donations made by the funder and their related parties.

The Foundation does not currently undertake any direct charitable activity but meets its charitable objectives by making grants to such charitable purposes, in any part of the world, as the Trustees in their absolute discretion determine. Where activities are carried out in the rest of the world, other than in exceptional circumstances, the Foundation makes donations to other UK charities that oversee that work directly or indirectly in those countries. During the year no payments were made direct to overseas charities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and setting the grant policy for the year. It is the Board's current desire to support a variety of charities in line with the public benefit requirement.

It is the short term policy of the Trustees to support individual charities or charitable causes in line with the grant policy set. There are a limited number of charities that are beginning to receive regular annual funding grants. Donations are generally made to charitable institutions with very limited restrictions currently being applied as to activity or geographical area. In particular, unlike many other charities, the Foundation is willing to provide unrestricted funding as this is often the most valuable form of funding from a recipient's perspective. The merits of each application are considered and, if required, further research carried out prior to a grant being made. Given the size of the Board, the Trustees meet on an informal basis to consider such donations. It is expected that the Foundation will continue to fund a variety of charitable causes although the focus is likely to continue to be those dealing with children, with education and health.

In the short term the policy of the Trustees is to expend a minimum of two-thirds of the net income arising per year by way of charitable donations and where that ratio is exceeded to be supplemented, where necessary, from the capital of the Foundation. The Trustees are currently making donations significantly above this minimum balance.

It remains the longer term intent of the Trustees to:

1. Formulate a more focused charitable strategy which will make a fundamental and long term difference to the lives of the recipients; and
2. Become more directly involved in charitable work at the "grass roots" level and/or to identify and support partners on the specific objectives identified in 1 above on a more regular basis.

All Trustees give freely of their time and no Trustees' remuneration or other benefits were paid in the year under review. Any general administration costs, other than audit fees and bank charges are met by the Santon Capital Plc group ("The Santon Group") which is controlled by B.S. Sandhu.

SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENTS AND PERFORMANCE

The Foundation undertakes its work through making direct financial contributions to the charitable activities it supports as well as providing indirect support by assisting certain charities in their wider fundraising activities. Since inception the Foundation has made cash contributions of £2.142m and charitable commitments of £0.567m totalling £2.709m.

1. Direct Financial Support

In the year under review the Trustees made grants and commitments totalling £317,500 (2018: £314,000) as detailed in Note 6 to the Accounts. The Trustees note that the Foundation has now granted or committed £2.709 million of donations since it was established to 124 different charitable organisations and causes.

During the year the Trustees made cash donations of £228,500 (2018: £314,000) to 22 different charities (2018: 27) averaging £10,386 (2018: £11,648) per donation. Of the cash payments made, £129,000 (2018: £177,500) was in respect of donation commitments made in prior years to 11 charities (2018: 10). The Trustees also made £217,500 (2018: £177,000) of new commitments to 10 charities (2018: 4), averaging £21,750 (2018: £44,250) per charity.

The Trustees made a number of donations for the benefit of children and especially their education needs. Many of the donations were made on a "matched" funding basis enabling the recipient charities to raise additional funds.

Whilst not wishing to signify the importance of any one donation over another we once again highlight examples of charities which were funded by the Foundation during the year. This year we have focused on five educational charities working across a range of ages. The importance of good education cannot be underestimated; education has always been and will always remain of fundamental importance to any individual and society as a whole. It is particularly important for those from disadvantaged backgrounds.

Cass Business School, City University, London (<https://www.cass.city.ac.uk>)

Cass Business School is one of City, University of London's five Schools. It's among Europe's leading business schools and in the global elite of business schools that hold the gold standard of 'triple-crown' accreditation. The Foundation offers undergraduate Scholarship of £5,000 pa for a three-year period to able students from financially deprived backgrounds who need financial assistance. The Foundation has to date had 4 students successfully graduate and 2 are currently in the process of completing their education. Further scholarships are due to be granted in 2020.

Warwick University (<https://warwick.ac.uk/giving/>)

The University of Warwick is a Royal Charter Corporation (being an exempt charity for the purposes of the Charities Act 2011). The Foundation provided a grant of £30,000 over three years to support activity delivered by Warwick's Mental Health team for students and will focus on 2 areas.

The first aim is to support a new triage system to signpost wellbeing support. This will be delivered through a redesigned website that will raise awareness and improve access to services for students. This is driven by the fact that 2 out of 3 students who are suicidal in UK HE are not accessing services, and therefore accessibility to services is key.

The second aim is to organise a national mental health conference, bringing in academic expertise around the country, to discuss the issues facing students and the interventions that are working. This will also provide an opportunity for a factual debate, partly aimed at turning the temperature down on these issues, so that we better understand what's working and why. This would include discussions around improving mental health provision in the community and how to prepare young people for university before they arrive and taking a longer-term view on the issues facing students.

SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The Latymer Foundation (<https://www.latymerfoundation.org>)

The Latymer Foundation was established in 1624 'to clothe and educate eight poore boyes' in Hammersmith. That purpose now extends to both boys and girls and extends to operating Latymer Upper School in Hammersmith as well as providing access to its now extensive facilities to local state schools. The Foundation works with the school in a number of ways.

1. The Foundation sponsors the STEM Academy on Saturdays during the Spring Term at a cost of £6,000 pa. This comprises a programme of specialist coaching for pupils for Year 7 & Year 8 pupils who have an aptitude for Science, Technology, Engineering and Maths and who are willing to give up a part of their weekend to come to another school. The programmes are designed and delivered by Latymer staff and supported by Lower Sixth Form students. We have financed this for the last three years and we propose to continue funding the programme going forward.
2. Pardeep Sandhu is one of the Co-Chairs of The Inspiring Minds Bursary Appeal which is seeking to raise £40m by 2024 which would help to fund bursaries for as many as 1 in 4 students (£26m raised to date).
3. The Foundation provides a regular monthly standing order of £250 per month to help fund the school's charitable activities.
4. Post the year end the Trustees agreed to commit to providing £105,000 over 7 years to fund a Class of 2026 Bursary.
5. The Trustees support the school in various activities and fundraisers and The Santon Group donates various sporting tickets and accommodation at the Highland Club to help raise funds.

Helena Kennedy Foundation (<https://www.hkf.org.uk>)

The Helena Kennedy Foundation's stated aim is to overcome social injustice by providing financial bursaries, mentoring and support to disadvantaged students from further and adult education sectors, enabling them to complete their studies in higher education and move on successfully into employment or further studies. We provide funding for 5 scholars a year at an annual cost of £3,000 each. Going forward the preference will be to provide funding to scholars attending The University of West London, which is local to the Foundation and the Trustees. The students who are nominated for these bursaries are some of the most inspiring individuals we have come across; ones who have had to overcome extreme hardship to study in order to improve their lives and that of their families.

Coram Beanstalk (<https://www.beanstalkcharity.org.uk>)

Coram Beanstalk (formerly called Beanstalk) recruits, trains and supports volunteers to provide one-to-one literacy support in early years settings and primary schools to children who have fallen behind in the reading.

Illiteracy is a persistent national problem in the UK and the challenge is to ensure that every child leaves school with the skills and confidence to reach their true potential and control their own lives.

The statistics of literacy in the UK are shocking and show the scale of the challenge we all face: 25% of children left primary school in 2017-18 unable to read to the required level, 70% of pupils permanently excluded from school have difficulties with basic literacy, 25% of young offenders have reading skills below that of the average 7 year old.

The Foundation provides financial support of £7,500 per annum to help fund the programme in Ealing schools. £5,000 funds the provision of 16 volunteer reading helpers who provide one-to-one reading sessions to 50 disadvantaged schools over a year in various Ealing schools. These children received 35 hours of literacy support through two 30 minute reading sessions per week. A further donation of £2,500 funds 3 volunteers for Grange Primary School, the nearest state primary school to the Trustees home.

SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2. Non-Financial and Indirect Support

The Trustees and the Patron have been actively involved in helping with fundraising from third parties on behalf of a number of charities to whom the Foundation has also donated funds.

The Chairman is an Ambassador to Magic Bus UK. After 4 years, Pardeep Sandhu stepped down as chair of the lunch committee of The Anne Frank Trust Holocaust Memorial Day Lunch which raised £1.7m during her tenure. Pardeep Sandhu continues to be a member of the lunch committee.

As noted above, Pardeep Sandhu continued as one of the Vice Chairs of The Bursary Appeal – one of the most ambitious in the UK – at Latymer Upper School.

Jai Sandhu, a son of the Trustees and an employee of The Santon Group, spent considerable time throughout the year working as a volunteer for Oxfam.

FINANCIAL REVIEW

The Foundation is currently reliant largely on income and investment returns from its investments.

Investment income increased from £264,955 in 2018 to £286,064 in 2019. The Foundation accrued a gain of £95,671 on its investment portfolio comprising a loss of £68,428 on the Endowment Fund and a gain of £164,099 on the unrestricted funds. The Endowment Fund is required to be invested in the Ordinary and Preference shares of Raven Property Group Limited and these assets underperformed during the year.

The Trustees increased grant funding marginally from £314,000 in 2018 to £317,000 in 2019.

The Trustees consider that the fixed assets investments of the Foundation are held to provide the annual income to finance expenditure in line with the grant policy set. Reserves are normally considered to be represented by net current assets. Whilst these Reserves are not particularly high the Trustees are confident that all the future commitments will be met out of future income arising or if necessary by other means. A significant proportion of the unrestricted funds are held in highly liquid listed investments and in exceptional circumstances these could be liquidated to meet funding commitments. However, it is more likely that if there was a short term cash flow issue interest free loans would be sought from The Santon Group as they have been in the past.

RISK ASSESSMENT

The Trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the operations and finance of the Foundation, and have developed a risk management strategy which involves the following:

1. An Annual review of the principal risks and uncertainties that the Foundation faces;
2. The establishment of policies, systems and procedure to mitigate risks identified;
3. The implementation of procedures designed to minimise or manage any potential impact on the Foundation should those risks materialise.

The principal risk faced by the Foundation lies in the performance of its investments. The Trustees consider that the Foundation should aim to seek a return of 7.5% pa on its investments in the medium term. This target was not achieved during the year largely due to the poor performance of the Raven Property Group investment.

The Foundation seeks to invest its unrestricted fund in a diversified portfolio of listed and unlisted securities and these performed well during the year.

SANDHU CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The Endowment Fund did not perform well in the year resulting in an overall negative investment return for the year. It is condition of the donations made into the Endowment Fund that it can only be invested in the securities of Raven Property Group Limited (without the consent of the donor) and therefore the Foundation has limited control over the return on this part of the investment portfolio.

Another major risk is the reliance of the Foundation on the founders; both from a funding perspective and an operational perspective. It is the medium term intention of the Trustees to seek a wider family involvement and in the short term it is the intention of the trustees to convert the Foundation into a CIO and to appoint a suitable non family member(s) to the Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by a Charitable Trust Deed on 29th March, 2006 and registered as a charity with the Charity Commission on 16th May, 2006.

The Board of Trustees who served during the year and subsequently were:

B S Sandhu (Chairman and Founder)
P Sandhu

The Board as a body have the power to appoint new Trustees at their discretion. All Trustees are required to keep up to date with ongoing developments in charity law and practice. It is the policy of the Board to provide new Trustees with all relevant information appertaining to the Foundation and its affairs.

Decisions regarding charity affairs are made at Trustee meetings which take place as and when required. The day to day administration of the Foundation is carried out by Nicky Steele, under the supervision of the Trustees.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.



B S Sandhu
Chairman

Dated: 14/1/2020



P Sandhu
Trustee

Dated: 4/1/2020

SANDHU CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.

SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SANDHU CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of Sandhu Charitable Foundation (the 'charity') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 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

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.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SANDHU CHARITABLE FOUNDATION

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 directors' report included within the Trustees report.

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.

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 auditors under section 145 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.

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

Other matter

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 Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

SANDHU CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SANDHU CHARITABLE FOUNDATION

Use of 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Coleman ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

14/1/2020
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Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

SANDHU CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Endowment funds £	Total 2019 £	Total 2018 £
Income from:					
Donations and legacies	3	-	70,350	70,350	111,330
Investment income	4	178,411	107,653	286,064	264,955
Total income		178,411	178,003	356,414	376,285
Expenditure on:					
Charitable activities	5	319,619	-	319,619	316,425
Net (expenditure)/income before investment returns		(141,208)	178,003	36,795	59,860
Net gain/(loss) on investments	9	164,099	(68,428)	95,671	(137,023)
Net income/(expenditure) for the year/Net movement in funds		22,891	109,575	132,466	(77,163)
Fund balances at 1 April 2018		2,759,601	2,358,393	5,117,994	5,195,157
Fund balances at 31 March 2019		2,782,492	2,467,968	5,250,460	5,117,994

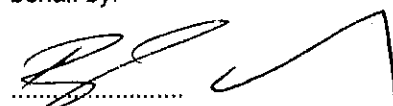
SANDHU CHARITABLE FOUNDATION


BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments	10		5,465,305		5,395,539
Current assets					
Debtors	12	219,530		199,566	
Cash at bank and in hand		141,245		9,809	
		<u>360,775</u>		<u>209,375</u>	
Creditors: amounts falling due within one year	13	<u>(339,620)</u>		<u>(347,420)</u>	
Net current assets/(liabilities)			21,155		(138,045)
Total assets less current liabilities			5,486,460		5,257,494
Creditors: amounts falling due after more than one year	14		(236,000)		(139,500)
Net assets			<u>5,250,460</u>		<u>5,117,994</u>
Capital funds					
Expendable endowment	15		2,467,968		2,358,393
Income funds					
Unrestricted funds			2,782,492		2,759,601
			<u>5,250,460</u>		<u>5,117,994</u>

The accounts were approved by the Board of Trustees and authorised for issue on 4/1/2020 and signed on its behalf by:


B S Sandhu
Trustee


P Sandhu
Trustee

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity Sandhu Charitable Foundation is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

At the time of approving the accounts, 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 accounts.

1.3 Charitable funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the Foundation 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.

Donations and other forms of voluntary income are recognised as income when receivable except insofar as they are incapable of financial measurement.

Assets donated to charities are included as income at their open market value.

Income from investments is included in the accounts on a receivable basis.

1.5 Resources expended

Liabilities are recognised as soon as there is a constructive obligation committing the charity to the expenditure. All resources expended are accounted for on an accrual basis. Irrecoverable VAT is charged to the expense to which it relates.

The cost of charitable activities is represented by grants made directly to institutions.

Also included in charitable expenditure are governance costs incurred primarily in meeting with constitutional and statutory requirements.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 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.

Financial instruments are recognised in the charity's balance sheet when charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

As a registered charity the Society is exempt from taxation on its activities which fall within the scope of Part 10 ITA2007 and section 256 of the Taxation of Chargeable Gains Act 1992.

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.

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Donations and legacies

	2019 £	2018 £
Gifts made by B.S. Sandhu, P. Sandhu and related parties		
Donations	70,350	44,500
Other donations	-	66,830
Voluntary income brought forward	4,905,492	4,794,162
Voluntary income carried forward	4,975,842	4,905,492

Since the Charity was established, Mr. and Mrs. Sandhu and their related parties have made in total donations to the Charity of £4.895 million (2018: £4.825 million) comprising £1.159 million in cash (2018: £1.159 million) and £3.622 million in quoted investments (2018: £3.552 million).

B.S. Sandhu, P. Sandhu and The Santon Group also donate directly to some of the charities with which the Foundation works and The Santon Group provides logistical, administrative, travel and subsistence support to the Foundation on an ex-gratia basis.

4 Investment Income

	Unrestricted funds £	Endowment funds £	Total 2019 £	Total 2018 £
Income from listed investments	108,973	-	108,973	90,315
Income from Raven Property Group investment	5,539	107,653	113,192	106,226
Other interest receivable	36,413	-	36,413	35,676
Interest receivable	27,486	-	27,486	32,738
	178,411	107,653	286,064	264,955
For the year ended 31 March 2018	164,268	100,687		264,955

5 Charitable activities

	2019 £	2018 £
Grant funding of activities (see note 6)	317,000	314,000
Support costs including governance costs	2,619	2,425
	319,619	316,425

Governance costs include a provision of £2,000 (2018: £2,000) for audit and accounting fees. The balance of the governance costs each year comprised bank charges.

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Grants payable

	2019 £	2018 £
Grants: Cash Paid		
Variety, The Children's Charity	35,000	35,000
Ehlers-Danlos Support UK	30,000	25,000
Anne Frank Trust UK	25,000	30,000
Helena Kennedy Foundation	15,000	27,000
Street Child UK	15,000	-
CASS Business School; City, University of London	10,000	15,000
Akshaya Patra Foundation UK	10,000	6,000
Lullaby Trust	10,000	1,000
Warwick University	10,000	-
CAFPH	10,000	-
The Latymer Foundation	9,000	9,000
Coram Beanstalk	7,500	7,500
Stroke Association	7,500	-
Orbis UK	7,000	7,000
Soundseekers	6,000	-
Brianstorm	5,000	-
Unicef	5,000	-
Motor Neurone Disease Association	3,500	-
Mind	3,000	-
The Prostate Cancer Charity	2,000	25,000
Movember (Prostate Cancer)	2,000	-
Mayor's Music Fund	1,000	1,000
Magic Bus UK	-	25,000
Williams Syndrome	-	25,000
The Scar Foundation	-	25,000
Young Enterprise	-	15,000
Kew Foundation	-	12,500
Localgiving re Grenfell Tower Appeal	-	5,000
St John Southall Greem	-	5,000
Consious Ball re Mental Health Charities	-	3,000
The Elifar Foundation	-	2,500
Land Aid	-	2,500
William Wates Memorial Fund	-	1,500
Guy's & St Thomas's Charity	-	1,000
Matt Hampson Foundation	-	1,000
Maytree Respite Centre	-	1,000
MK Dons Sports Foundation Trust	-	1,000
Cash paid in year carried forward	228,500	314,500

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6 Grants payable	(Continued)	
	2019 £	2018 £
Cash paid in the year brought forward	228,500	314,500
Commitments utilised in the year:		
Variety, The Children's Charity	(35,000)	(35,000)
Anne Frank Trust UK	(25,000)	(30,000)
Street Child UK	(15,000)	-
Cass Business School; City, University of London	(10,000)	(15,000)
Lullaby Trust	(10,000)	-
Beanstalk	(7,500)	(5,000)
Orbis UK	(7,000)	(7,000)
Stroke Association	(7,500)	-
The Latymer Foundation	(6,000)	(6,000)
Soundseekers	(5,000)	-
Mayor's Music Fund	(1,000)	-
Helena Kennedy Foundation	-	(27,000)
Magic Bus UK	-	(25,000)
Young Enterprise	-	(15,000)
Kew Foundation	-	(12,500)
	(129,000)	(177,500)
Commitments made in year:		
Magic Bus UK	58,000	-
The Scar Foundation	30,000	-
Variety Club UK	27,500	-
The Anne Frank Trust UK	25,000	-
Warwick University	20,000	-
Cass Business School; City, University of London	15,000	-
The Latymer Foundation	18,000	2,000
Henna Kennedy Foundation	12,000	-
Lullaby Trust	10,000	10,000
CAFPH	2,000	-
Ehlers-Danlos Support UK	-	150,000
Street Child UK	-	15,000
	217,500	177,000
Total Grants payable in the year	317,000	314,000

Since the Foundation was set up it has made donations or commitments to 120 (2018: 119) different charities totalling £2,708,661 (2018: £2,391,661).

A significant number of donations are made on a matched funding basis as one of the aims of the Foundation is to encourage and incentivise others to give.

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. No expenses were charged to the Foundation by the Trustees.

Donations made by B.S. Sandhu and related parties are shown in Note 3. Details on the terms of the Endowment Fund set up by B.S. Sandhu are disclosed in Note 15.

The Santon Capital plc group, which is owned by B.S. Sandhu, provides offices, staff and administrative support to the Foundation without charge.

B.S. Sandhu provided an interest free loan of £5,000 to the Foundation.

Contributions totalling £9,000 (2018: £9,000) were paid to The Latymer Foundation. Mr. and Mrs. Sandhu's children attend Latymer on a full fee paying basis.

8 Employees

There were no employees during the year. The Santon Capital plc group provides administrative support to the Foundation without charge.

9 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds	Total 2019	Total 2018
	£	£	£	£
Revaluation of investments	131,896	(68,428)	63,468	(194,782)
Gain/loss on sale of investments	32,203	-	32,203	57,759
Movement in 31 March 2019	<u>164,099</u>	<u>(68,428)</u>	<u>95,671</u>	<u>(137,023)</u>
Movement in 31 March 2018	<u>196,687</u>	<u>(333,710)</u>		<u>(137,023)</u>

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Fixed asset investments

	2019 £	2018 £
Listed investments	4,501,169	4,907,986
Unlisted investments	621,522	484,129
Investment cash retained	342,614	3,424
	<u>5,465,305</u>	<u>5,395,539</u>
	2019 £	2018 £
Historical cost as at 31 March 2019	<u>5,352,678</u>	<u>5,367,188</u>
Investments held are allocated as follows:		
Equity instruments	4,117,175	4,438,312
Listed debt instruments	383,994	469,676
Other	621,522	484,130
Cash	342,614	3,421
	<u>5,465,305</u>	<u>5,395,539</u>

During the year, Mr. B. Sandhu transferred 175,000 (2018: 100,000) Ordinary Shares in Raven Property Group Limited to the Charity by way of a gift at market value of £70,350 (2018: £44,500).

Listed investments comprise holdings in ordinary shares, warrants and preference shares in Main Listed Stocks on the London Stock Exchange. Listed investments include an investment of £1.634 million (2018: £2.526 million) in the ordinary shares and preference shares of Raven Property Group Limited.

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

10	Fixed asset Investments	(Continued)	
	Movements in fixed asset Investments		
		2019	2018
		£	£
	Cost or valuation		
	Brought forward	5,395,539	5,066,032
	Additions	806,477	698,995
	Valuation changes	135,607	(28,602)
	Gifts made to charity at market value	70,350	44,500
	Change in brokers' cash accounts	339,191	3,306
	Disposals	(1,281,859)	(388,692)
	Carried forward	5,465,305	5,395,539
	Carrying amount		
	At 31 March 2019	5,465,305	5,395,539
	At 31 March 2018	5,395,539	5,066,032
11	Financial instruments	2019	2018
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	219,530	199,566
	Instruments measured at fair value	5,465,305	5,395,539
	Carrying amount of financial liabilities		
	Measured at amortised cost	575,620	486,920
12	Debtors	2019	2018
		£	£
	Amounts falling due within one year:		
	Short term loan	214,875	189,659
	Interest accrued	4,655	9,907
		219,530	199,566

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Donations commitments (see below)	331,000	339,000
Connected party loans (see Note 7)	5,000	5,000
Accruals and deferred income	3,620	3,420
	<u>339,620</u>	<u>347,420</u>

Donation Commitments comprise:

	Less than One Year £	More than One Year £	Total £
Ehlers-Danlos Support UK	150,000	-	150,000
Anne Frank Trust UK	30,000	60,000	90,000
Variety, The Children's Charity	35,000	35,000	70,000
Magic Bus UK	30,000	58,000	88,000
Helena Kennedy Foundation	15,000	15,000	30,000
Scar Foundation	10,000	20,000	30,000
City University	15,000	10,000	25,000
The Latymer Foundation	6,000	18,000	24,000
Warwick University	10,000	10,000	20,000
Prostate Cancer Society	5,000	10,000	15,000
Lullaby Trust	10,000	-	10,000
Orbis	7,000	-	7,000
Stroke Association	2,500	-	2,500
Beanstalk	2,500	-	2,500
CAFPH	2,000	-	2,000
Mayor's Music Fund	1,000	-	1,000
	<u>331,000</u>	<u>236,000</u>	<u>567,000</u>
Total Commitments - 31 March 2019	331,000	236,000	567,000
	<u>339,000</u>	<u>139,500</u>	<u>478,500</u>
Total Commitments - 31 March 2018	339,000	139,500	478,500

14 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Donation commitments (see note 13)	<u>236,000</u>	<u>139,500</u>

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Endowment funds

	Balance at 1 April 2018	Incoming resources	Movement in funds			Balance at 31 March 2019
	£	£	Resources expended	Transfers	Revaluations gains and losses	£
Expendable endowments						
Expendable endowments	2,358,393	178,003	-	-	(68,428)	2,467,968
	<u>2,358,393</u>	<u>178,003</u>	<u>-</u>	<u>-</u>	<u>(68,428)</u>	<u>2,467,968</u>

The expendable endowment fund was set up in March, 2010 by the Trustee B.S. Sandhu upon the transfer into the Charity by way of gift of 1,300,000 preference shares in Raven Property Group Limited and was added to in 2012. During the year B.S. Sandhu donated 100,000 Ordinary Shares in Raven Property Group Limited on the same terms. The gift was made on the basis that the capital could not be distributed without the consent of the donor. There is an additional restriction in that the shares transferred cannot be disposed of without the consent of the donor. The endowment funds are largely represented by holdings of ordinary and preference shares in Raven Property Group Limited, which is listed on the Main Market of the London Stock Exchange.

16 Movement in funds

	General funds £	Endowment funds £	Revaluation reserve £	Total £
Balance at 1 April 2018	2,871,424	2,358,393	(111,823)	5,117,994
Income	178,411	178,003	-	356,414
Expenditure	(319,619)	-	-	(319,619)
Gains/(Losses) on investments:				
Gain on investment disposals	32,203	-	-	32,203
Gain/(Loss) on investment revaluation	(92,554)	(68,428)	224,450	63,468
Balance at 31 March 2019	<u>2,669,865</u>	<u>2,467,968</u>	<u>112,627</u>	<u>5,250,460</u>

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total £
Fund balances at 31 March 2019 are represented by:			
Investments	4,122,649	1,342,656	5,465,305
Current assets	153,435	207,340	360,775
Creditors due within one year	(339,620)	-	(339,620)
Creditors due after one year	(236,000)	-	(236,000)
	<u>3,700,464</u>	<u>1,549,996</u>	<u>5,250,460</u>

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Donations to date (2006-2019)

	Cash £	Commitments £	Total £
Variety, The Children's Charity	313,750	70,000	383,750
Anne Frank Trust UK	225,500	90,000	315,500
Magic Bus UK	191,979	88,000	279,979
Ehlers-Danlos Support UK	55,000	150,000	205,000
Helena Kennedy Foundation	92,000	30,000	122,000
The Latymer Foundation	86,874	24,000	110,874
CASS Business School; City, University of London	80,000	25,000	105,000
Young Enterprise	65,000		65,000
Prostate Cancer UK	50,000	15,000	65,000
The Scar Foundation	25,000	30,000	55,000
Dasra UK	51,000		51,000
Orbis UK	44,000	7,000	51,000
Kew Foundation	50,000		50,000
Street Child UK	45,000		45,000
The Family & Relationship Crisis Centre	38,000		38,000
Family for Every Child	30,000		30,000
Florence Kleiner Foundation	30,000		30,000
Unicef UK	30,000		30,000
Warwick Univerity	10,000	20,000	30,000
Akshaya Patra Foundation UK	26,000		26,000
Williams Syndrome Foundation	25,000		25,000
Jubilee Box Hill School	24,083		24,083
Durston House Educational Trust	22,500		22,500
Find Your Feet	20,000		20,000
Happy Days Charity	20,000		20,000
Leicestershire County Cricket Club	20,000		20,000
Lullaby Trust	11,000	10,000	21,000
The Stoke Association	15,500	2,500	18,000
Coram Beanstalk	15,000	2,500	17,500
Leukemia & Lymphoma Research	17,000		17,000
Pancreatic Cancer UK	15,000		15,000
CAFPH	10,000	2,000	12,000
Soundseekers	11,000		11,000
GB Childrens Home	10,500		10,500
DEC Haiti Appeal	10,000		10,000
Erskine Hospital	10,000		10,000
LSE Annual Fund	10,000		10,000
Multiple Sclerosis Society	10,000		10,000
Epilepsy Research UK	9,000		9,000
JET (Joint Educational Trust)	9,000		9,000
Bobath Centre for Children with Cerebal Palsy	8,000		8,000
British Heart Foundation	7,725		7,725
British Lung Foundation	7,000		7,000
Blackfriars Settlement	6,502		6,502
Oval Cricket Relief Trust	6,000		6,000
Subtotal of donations c/f	1,868,913	566,000	2,434,913

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Donations to date (2006-2019)

(Continued)

Subtotal of donations b/f	1,868,913	566,000	2,434,913
Sands	6,000		6,000
Cure Parkinson Trust	5,600		5,600
Brainstorm	5,000		5,000
Bliss	5,000		5,000
Choices Ealing	5,000		5,000
Coram	5,000		5,000
Cystic Fibrosis	5,000		5,000
DEC Committee – Phillipines	5,000		5,000
Ealing Food Bank	5,000		5,000
Ealing Soup Kitchen	5,000		5,000
Emmaus Hampshire	5,000		5,000
Enterprise Education	5,000		5,000
Evelina	5,000		5,000
Foundation for The Study of Infant Deaths	5,000		5,000
Friendship Works	5,000		5,000
Give Smart	5,000		5,000
Helen Rollason Cancer Charity	5,000		5,000
Help for Heroes	5,000		5,000
Interact Reading Limited	5,000		5,000
LEPRA	5,000		5,000
Listening Books	5,000		5,000
Localgiving re Grenfell Tower Appeal	5,000		5,000
Maharaj Duleep Singh Centenary Trust	5,000		5,000
Northwick Park Institute for Medical Research	5,000		5,000
Oxfam re: Ebola	5,000		5,000
Richard House Children's Hospital	5,000		5,000
Smile Train	5,000		5,000
Starfish Greathearts Foundation	5,000		5,000
Starlight Children's Foundation	5,000		5,000
The Ear Foundation	5,000		5,000
The Helping Hands International	5,000		5,000
The Haven	5,000		5,000
Tree of Hope Charity	5,000		5,000
The Big Give Trust re East Africa Appeal	5,000		5,000
MacMillan Cancer Support	5,000		5,000
Scannappeal (The Bucks Breast Cancer Appeal)	5,000		5,000
St John Southall Green	5,000		5,000
Connect	4,000		4,000
RNLI	4,000		4,000
Interact Worldwide	3,500		3,500
William Wates Memorial Fund	3,500		3,500
Motor Neurine Disease Association	3,500		3,500
BIBIC	3,000		3,000
Concious Ball re Mental Health Charities	3,000		3,000
London Vision Clinic Foundation	3,000		3,000
MIND	3,000		3,000
Subtotal of donations b/f	2,086,013	566,000	2,652,013

SANDHU CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Donations to date (2006-2019)

(Continued)

Subtotal of donations c/f	2,086,013	566,000	2,652,013
Royal Wanstead Children's Hospital	3,000		3,000
St. Christopher's Church	3,000		3,000
Save the Children	3,000		3,000
SBSA	3,000		3,000
Sightsavers	3,000		3,000
The Amy May Trust	3,000		3,000
Movember	3,000		3,000
Mayor's Music Fund	2,000	1,000	3,000
Hatters Explorers Scout Unit	2,500		2,500
The Elifar Foundation	2,500		2,500
Land Aid	2,500		2,500
Anna Wallace re cancer fundraising	2,000		2,000
Ecology Trust	2,000		2,000
Outward Bound	2,000		2,000
Children's Hospital Trust South Africa	1,500		1,500
Holy Family PTA	1,500		1,500
Right to Play	1,500		1,500
The Streets Ahead Children's Charity	1,500		1,500
Berry's Court School	1,049		1,049
Anaphylaxis Campaign	1,000		1,000
Georgie's Fund	1,000		1,000
Harvest India	1,000		1,000
London Legal Trust	1,000		1,000
Mums for Babas	1,000		1,000
Pseur (PSP)	1,000		1,000
Guy's & St Thomas's Charity	1,000		1,000
Matt Hampson Foundation	1,000		1,000
Maytree Respite centre	1,000		1,000
MK Dons Sports Foundation Trust	1,000		1,000
Sightsavers	1,000		1,000
Crisis	1,000		1,000
Lord Mayor's Appeal	100		100
Total donations to date	2,141,661	567,000	2,708,661

19 Related party transactions

Bim Sandhu is an Independent Non-Executive director of AEW UK Reit plc in which the company holds 250,000 Ordinary shares and an Independent Non-Executive director of Africa Logistics Properties Holdings Limited in which the company holds 353,695 US\$ 0.10 Ordinary shares. Both holdings represent less than a 3% interest in the respective companies.