

COMPANY REGISTRATION NUMBER: 09166135
CHARITY REGISTRATION NUMBER: 1160643

KH D'SATMAR LTD
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2020

ACCOUNTS & BUSINESS SOLUTIONS LIMITED

Chartered Certified Accountants
158 Cromwell Road
Salford
M6 6DE

KH D'SATMAR LTD
Company Limited by Guarantee
Financial Statements
Year ended 31 August 2020

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	3
Statement of financial activities (including income and expenditure account)	4
Statement of financial position	5
Accounting policies	6
Notes to the financial statements	9

KH D'SATMAR LTD

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 August 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

Reference and administrative details

Registered charity name	KH D'SATMAR LTD
Charity registration number	1160643
Company registration number	09166135
Principal office and registered office	158 Cromwell Road Salford England M66DE

The trustees

Mr L Tager
Mr A Grossberger
Mr Y Horowitz

Independent examiner	Ian Graff FCCA 158 Cromwell Road Salford M6 6DE
-----------------------------	--

Structure, governance and management

The directors/trustees who served the charity during the period were as follows:

Avigdor Grossberger (Director and Trustee)
Yoel Horowitz (Director and Trustee)
Lipa Tager (Director and Trustee)

The day-to-day affairs are undertaken by a manager on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give their time freely.

Objectives and activities

1. To extend, develop and maintain the building of the synagogue in 37 Northumberland Street, Salford, known as the Beth Hamedrash Satmar Veyoel Moshe.
2. To provide grants and donations to needy individuals / charitable organisations in the community. The charity is committed to the aim of providing public benefit, and the trustees have considered the Charity Commission's published guidance on public benefit.
3. To operate an out of school club and community centre.

Strategic report

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

KH D'SATMAR LTD

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Achievements and performance

The trustees are pleased to report that during the year the charity raised £330,158 in donations and contributions (2019 - £235,359). There was a net surplus for the year of £30,986 (2019 - deficit £158). The charity gave £190,287 by way of grants and donations to charitable organisations and individuals.

Financial review

Reserves policy

The charity holds reserves in order to ensure that it can maintain the level of support that it is currently providing to the community in which it operates

Risk Management

The process of examining the risks to which the Charity is exposed is ongoing and the trustees are planning to further develop systems to monitor and control these risks in order to lessen their potential impact on the Charity.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report and the strategic report were approved on 12 May 2021 and signed on behalf of the board of trustees by:

Mr A Grossberger
Trustee

KH D'SATMAR LTD

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of KH D'SATMAR LTD

Year ended 31 August 2020

I report to the trustees on my examination of the financial statements of KH D'SATMAR LTD ('the charity') for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Ian Graff FCCA
Independent Examiner
158 Cromwell Road
Salford
M6 6DE

KH D'SATMAR LTD

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2020

		2020	2019
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	200,587	185,159
Charitable activities	5	129,536	50,198
Investment income		35	2
Total income		<u>330,158</u>	<u>235,359</u>
Expenditure			
Expenditure on raising funds:			
Costs of raising donations	6	8,518	11,418
Expenditure on charitable activities	7,8	290,654	224,099
Total expenditure		<u>299,172</u>	<u>235,517</u>
Net income/(expenditure) and net movement in funds		<u>30,986</u>	<u>(158)</u>
Reconciliation of funds			
Total funds brought forward		417,162	417,320
Total funds carried forward		<u>448,148</u>	<u>417,162</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 9 to 13 form part of these financial statements.

KH D'SATMAR LTD
Company Limited by Guarantee
Statement of Financial Position
31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	14	3,155	3,490
Tangible fixed assets	15	1,428,333	1,372,105
		<u>1,431,488</u>	<u>1,375,595</u>
Current assets			
Cash at bank and in hand		8,885	212,986
Creditors: amounts falling due within one year	16	<u>302,872</u>	<u>512,669</u>
Net current liabilities		<u>293,987</u>	<u>299,683</u>
Total assets less current liabilities		1,137,501	1,075,912
Creditors: amounts falling due after more than one year	17	<u>689,353</u>	<u>658,750</u>
Net assets		<u><u>448,148</u></u>	<u><u>417,162</u></u>
Funds of the charity			
Unrestricted funds		448,148	417,162
Total charity funds	18	<u><u>448,148</u></u>	<u><u>417,162</u></u>

For the year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 12 May 2021, and are signed on behalf of the board by:

Mr A Grossberger
Trustee

The notes on pages 9 to 13 form part of these financial statements.

KH D'SATMAR LTD
Company Limited by Guarantee
Accounting Policies
Year ended 31 August 2020

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.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

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.

KH D'SATMAR LTD
Company Limited by Guarantee
Accounting Policies *(continued)*
Year ended 31 August 2020

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.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

KH D'SATMAR LTD
Company Limited by Guarantee
Accounting Policies *(continued)*
Year ended 31 August 2020

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

- 20% reducing balance

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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.

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:

- 20% reducing balance

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.

KH D'SATMAR LTD

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2020

1. General information

The charity is a public benefit entity and 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 158 Cromwell Road, Salford, England, M66DE.

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 Companies Act 2006.

3. Limited by guarantee

KH D'Satmar LTD is a company limited by guarantee incorporated on 7 August 2018 and is governed by its memorandum and articles of association. The Directors/Trustees are responsible for the governance of the organisation and are active in all operational aspects of strategic management. Major policy decisions are decided at full directors/trustees meetings.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations and Legacies	200,587	200,587	185,159	185,159

5. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Parental fees and contributions	129,536	129,536	50,198	50,198

6. Costs of raising donations

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising costs	8,518	8,518	11,418	11,418

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Charitable activities	287,637	287,637	221,836	221,836
Support costs	3,017	3,017	2,263	2,263
	290,654	290,654	224,099	224,099

KH D'SATMAR LTD

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Charitable activities	97,350	190,287	–	287,637	221,836
Governance costs	–	–	3,017	3,017	2,263
	<u>97,350</u>	<u>190,287</u>	<u>3,017</u>	<u>290,654</u>	<u>224,099</u>

9. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Relief of poverty	140,195	34,008
Grants to individuals		
Relief of poverty	50,092	23,000
Total grants	<u>190,287</u>	<u>57,008</u>

10. Net income/(expenditure)

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

	2020 £	2019 £
Amortisation of intangible assets	788	872
Depreciation of tangible fixed assets	2,035	2,039
Operating lease rentals	–	1,354
	<u>–</u>	<u>4,265</u>

11. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	25,127	64,488
Other employee benefits	482	220
	<u>25,609</u>	<u>64,708</u>

KH D'SATMAR LTD

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

12. Staff costs *(continued)*

The average head count of employees during the year was 16 (2019: 17). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Teaching	15	15
Administrative	1	2
	<u>16</u>	<u>17</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

14. Intangible assets

	Development costs £
Cost	
At 1 September 2019	4,362
Additions	453
At 31 August 2020	<u>4,815</u>
Amortisation	
At 1 September 2019	872
Charge for the year	788
At 31 August 2020	<u>1,660</u>
Carrying amount	
At 31 August 2020	<u>3,155</u>
At 31 August 2019	<u>3,490</u>

KH D'SATMAR LTD

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

15. Tangible fixed assets

	Land and buildings £	Equipment £	Total £
Cost			
At 1 September 2019	1,363,949	10,195	1,374,144
Additions	56,246	2,017	58,263
At 31 August 2020	1,420,195	12,212	1,432,407
Depreciation			
At 1 September 2019	—	2,039	2,039
Charge for the year	—	2,035	2,035
At 31 August 2020	—	4,074	4,074
Carrying amount			
At 31 August 2020	1,420,195	8,138	1,428,333
At 31 August 2019	1,363,949	8,156	1,372,105

16. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	204,945	410,437
Accruals and deferred income	2,000	2,000
Social security and other taxes	927	5,232
Other creditors	95,000	95,000
	302,872	512,669

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

	2020 £	2019 £
Bank loans and overdrafts	689,353	658,750

KH D'SATMAR LTD

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

18. Analysis of charitable funds

Unrestricted funds

	At 1 Sept 2019 £	Income £	Expenditure £	At 31 Aug 2020 £
General funds	<u>417,162</u>	<u>330,158</u>	<u>(299,172)</u>	<u>448,148</u>

	At 1 Sept 2018 £	Income £	Expenditure £	At 31 Aug 2019 £
General funds	<u>417,320</u>	<u>235,359</u>	<u>(235,517)</u>	<u>417,162</u>

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Intangible assets	3,155	3,155
Tangible fixed assets	1,428,333	1,428,333
Current assets	8,885	8,885
Creditors less than 1 year	(302,872)	(302,872)
Creditors greater than 1 year	(689,353)	(689,353)
Net assets	<u>448,148</u>	<u>448,148</u>

	Unrestricted Funds £	Total Funds 2019 £
Intangible assets	3,490	3,490
Tangible fixed assets	1,372,105	1,372,105
Current assets	212,986	212,986
Creditors less than 1 year	(512,669)	(512,669)
Creditors greater than 1 year	(658,750)	(658,750)
Net assets	<u>417,162</u>	<u>417,162</u>