

CHARITY REGISTRATION NUMBER: 1172014

Five K Foundation
Unaudited Financial Statements
30 June 2022

COHEN ARNOLD
Chartered accountants
New Burlington House
1075 Finchley Road
London
NW11 0PU

Five K Foundation
Financial Statements
Year ended 30 June 2022

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Five K Foundation
Trustees' Annual Report
Year ended 30 June 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 June 2022.

Reference and administrative details

Registered charity name	Five K Foundation
Charity registration number	1172014
Principal office	158 Whitehall Road Gateshead Tyne & Wear NE8 1TP
The trustees	Mr S Kaufman Mrs N Kaufman Mr M Kaufman
Independent examiner	Benny Brenig FCA New Burlington House 1075 Finchley Road London NW11 0PU

Structure, governance and management

Governing Document

The organisation is run by the trustees and is governed by a Trust Deed dated 6 March 2017.

Appointment, Training and Recruitment of Trustees

The trustees administer the day-to-day affairs of the charity. They are experienced trustees and act in an honorary capacity. 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 trustees give their time voluntarily and no benefit or expenses were paid to them in the period. New Trustees are inducted into the workings of the Charity by the existing Trustees and are given access to the Charity Commission publications.

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

Objectives and activities

The Trust is established to further those purposes recognised as charitable by English Law and in furtherance of the aforementioned objects the Charity applies the income it receives mainly from its investment properties in the provision and distribution of grants and donations to Orthodox Jewish Charities.

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

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

Five K Foundation
Trustees' Annual Report *(continued)*
Year ended 30 June 2022

Achievements and performance

During the year the Charity donated £82,200 in furtherance of its aims.

Financial review

The financial results of the Charity for the period are fully reflected in the attached Financial Statements together with the notes thereon. The Trustees consider the position of the Charity to be satisfactory.

Grant making policy

The Trustees are approached for donations by a wide variety of charitable institutions. The trustees consider all requests which they receive and make donations based on the level of funds available and in accordance with the objectives of the charity.

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. As at 30 June 2022 the charity had £2,603,198 unrestricted funds, of which £255,698 was freely available whilst the balance was invested in fixed asset investments.

Risk management

The Trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those relating to the operations and finance of the Trust, 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 charities operations.

Credit risk

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk. The charity has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk 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

Five K Foundation
Trustees' Annual Report *(continued)*
Year ended 30 June 2022

Investments

The trust's investment properties are included in the Financial Statements at the trustees' best estimate of open market value at Balance Sheet date. The trustees have extensive experience in the field of property investment and valuation accumulated over a considerable period of time.

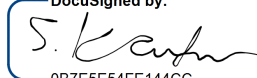
Investment powers and restrictions

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

Plans for future periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

The trustees' annual report was approved on 17 April 2023 and signed on behalf of the board of trustees by:

DocuSigned by:

0B7E5E54FE144CC...
Mr S Kaufman
Trustee

Five K Foundation
Independent Examiner's Report to the Trustees of Five K Foundation
Year ended 30 June 2022

I report to the trustees on my examination of the financial statements of Five K Foundation ('the charity') for the year ended 30 June 2022.

Responsibilities and basis of report

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


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

Independent examiner's statement

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

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

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.

DocuSigned by:

D0E8F6064185497
Benny Breng FCA
Independent Examiner

New Burlington House
1075 Finchley Road
London
NW11 0PU

17 April 2023

Five K Foundation
Statement of Financial Activities
Year ended 30 June 2022

		2022	2021
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	4	500	120,000
Investment income	5	127,712	123,125
Total income		<u>128,212</u>	<u>243,125</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	(74,347)	(63,646)
Expenditure on charitable activities	7,8	(86,398)	(11,253)
Total expenditure		<u>(160,745)</u>	<u>(74,899)</u>
Net (expenditure)/income		<u>(32,533)</u>	<u>168,226</u>
Gains/(losses) on revaluation of investments			
Fair value movements		137,500	(37,000)
Net movement in funds		104,967	131,226
Reconciliation of funds			
Total funds brought forward		2,498,231	2,367,005
Total funds carried forward		<u>2,603,198</u>	<u>2,498,231</u>

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

Five K Foundation
Statement of Financial Position
30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	13	2,347,500	2,210,000
Current assets			
Debtors	14	21,917	27,798
Cash at bank and in hand		283,879	274,849
		<u>305,796</u>	<u>302,647</u>
Creditors: amounts falling due within one year	15	<u>(50,098)</u>	<u>(14,416)</u>
Net current assets		<u>255,698</u>	<u>288,231</u>
Total assets less current liabilities		<u>2,603,198</u>	<u>2,498,231</u>
Net assets		<u>2,603,198</u>	<u>2,498,231</u>
Funds of the charity			
Unrestricted funds		2,603,198	2,498,231
Total charity funds	16	<u>2,603,198</u>	<u>2,498,231</u>

These financial statements were approved by the board of trustees and authorised for issue on 17 April 2023, and are signed on behalf of the board by:

DocuSigned by:

 0B925E4A86874E0...
 Mr M Kaufman
 Trustee

The notes on pages 7 to 11 form part of these financial statements.

Five K Foundation
Notes to the Financial Statements
Year ended 30 June 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 156 Whitehall Road, Gateshead, Tyne & Wear, NE8 1TP.

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

Judgements and estimates made by the trustees, in the application of these accounting policies have significant effect on the financial statements as follows:

i. Property valuations

The valuation of the charity's property portfolio is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

ii. Trade debtors

Management uses details of the age of trade debtors and the status of any disputes together with external evidence of the credit status of the counterparty in making judgements concerning any need to impair the carrying values.

Fund accounting

Unrestricted funds comprise the accumulated surplus or deficit from the charity's income and expenditure as well as the accumulated surplus or deficit on unrealised revaluations. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds as at the Balance Sheet date.

Designated funds are funds which have been set at the discretion of the Trustees for specific purposes. There are no designated funds as at the Balance Sheet date.

Five K Foundation
Notes to the Financial Statements *(continued)*
Year ended 30 June 2022

3. Accounting policies *(continued)*

Incoming resources

Investment income is 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. Income from donations or grants is recognised when received.

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.

Investment property

The charity's investment properties are included in the financial statements at the trustees' best estimate of open market value at the balance sheet date. The unrealised gains and losses are shown in the Statements of Financial Activities. No depreciation is charged on the investment properties.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations received	<u>500</u>	<u>500</u>	<u>120,000</u>	<u>120,000</u>

Five K Foundation
Notes to the Financial Statements *(continued)*
Year ended 30 June 2022

5. Investment income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Income from investment properties	<u>127,712</u>	<u>127,712</u>	<u>123,125</u>	<u>123,125</u>

6. Investment management costs

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Investment property management costs	<u>74,347</u>	<u>74,347</u>	<u>63,646</u>	<u>63,646</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Grants paid	82,200	82,200	7,000	7,000
Support costs	<u>4,198</u>	<u>4,198</u>	<u>4,253</u>	<u>4,253</u>
	<u>86,398</u>	<u>86,398</u>	<u>11,253</u>	<u>11,253</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Grants paid	82,200	—	82,200	7,000
Governance costs	<u>—</u>	<u>4,198</u>	<u>4,198</u>	<u>4,253</u>
	<u>82,200</u>	<u>4,198</u>	<u>86,398</u>	<u>11,253</u>

9. Analysis of grants

During the year the charity made donations to charitable institutions as follows:

	£
Yesamach Levav Trust	18,500
Friends of Beis Soroh Schneirer	18,000
Mifal Hachesed Vehatzdokoh	18,000
One Heart - Lev Echod	12,100
Sundry amounts (below £10,000)	<u>15,600</u>
	<u>82,200</u>

Included within donations made during the year is a donation of £5,900 paid to a charity whose trustees include a trustee of this charity.

Five K Foundation
Notes to the Financial Statements *(continued)*
Year ended 30 June 2022

10. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>4,080</u>	<u>4,160</u>

11. Staff costs

No salaries or wages were paid to employees, including the trustees, during the year.

12. Trustee remuneration and expenses

The charity did not meet any individual expenses incurred by the Trustees for services provided to the Charity.

13. Investments

	Investment properties £
Fair value	
At 1 July 2021	2,210,000
Additions	—
Fair value movements	<u>137,500</u>
At 30 June 2022	<u>2,347,500</u>
Carrying amount	
At 30 June 2022	<u>2,347,500</u>
At 30 June 2021	<u>2,210,000</u>

All investments shown above are held at valuation.

Investment properties

The Charity's investment property was valued by the trustees based on the trustees' understanding of property market conditions and the specific properties concerned using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

14. Debtors

	2022	2021
	£	£
Trade debtors	<u>21,917</u>	<u>27,798</u>

Five K Foundation
Notes to the Financial Statements *(continued)*
Year ended 30 June 2022

15. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	10,682	–
Accruals and deferred income	33,160	8,160
Other creditors	6,256	6,256
	<u>50,098</u>	<u>14,416</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 July 2021	Income £	Expenditure £	Gains and losses £	At 30 June 2022 £
General funds	<u>2,498,231</u>	<u>128,212</u>	<u>(160,745)</u>	<u>137,500</u>	<u>2,603,198</u>

	At 1 July 2020	Income £	Expenditure £	Gains and losses £	At 30 June 2021 £
General funds	<u>2,367,005</u>	<u>243,125</u>	<u>(74,899)</u>	<u>(37,000)</u>	<u>2,498,231</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Investments	2,347,500	2,347,500
Current assets	305,796	305,796
Creditors less than 1 year	(50,098)	(50,098)
Net assets	<u>2,603,198</u>	<u>2,603,198</u>

	Unrestricted Funds £	Total Funds 2021 £
Investments	2,210,000	2,210,000
Current assets	302,647	302,647
Creditors less than 1 year	(14,416)	(14,416)
Net assets	<u>2,498,231</u>	<u>2,498,231</u>

18. Related parties

All transactions with related parties have been disclosed in the notes to the accounts.