

COMPANY REGISTRATION NUMBER: 10520302
CHARITY REGISTRATION NUMBER: 1179051

KMB ESTATES
Company Limited by Guarantee
Unaudited Financial Statements
For the year ended
31 March 2021

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

KMB ESTATES
COMPANY LIMITED BY GUARANTEE
Financial Statements
Year ended 31 March 2021

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KMB ESTATES
COMPANY LIMITED BY GUARANTEE
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2021

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 March 2021.

Reference and administrative details

Registered charity name	KMB Estates
Charity registration number	1179051
Company registration number	10520302
Principal office	80A Darenth Road London N16 6ED
Registered office	New Burlington House 1075 Finchley Road London NW11 0PU
The Trustees	Mr S Berger Mr J Berger Mrs D Berger Mrs S Stein
Independent examiner	Asher Sternlicht, FCA Cohen Arnold New Burlington House 1075 Finchley Road LONDON NW11 0PU

Structure, governance and management

The Charitable Company is constituted as a Company Limited by Guarantee and as such, its governing documents are its Memorandum and Articles of Association.

The day-to-day affairs of the Charity are administered by the Trustees. None of the Trustees have any beneficial interest in the Charity.

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

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

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

Year ended 31 March 2021

Objectives and activities

The Charitable Company is established to further those purposes both in the United Kingdom and abroad recognised as charitable by English Law. In furtherance of the aforementioned objects, the Charitable Company receives income mainly from charitable receipts and investment properties, which it utilises in the provision and distribution of grants and donations that fall within the objectives of the Charitable Company. It has concentrated its activities in giving grants to institutions that focus on the relief of poverty and the advancement of education and religion.

The Charity's principal activity throughout the year was the provision and distribution of donations and grants to organisations, and no change is envisaged in the immediate future.

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

Grant making policy

Grants are made to charitable institutions and organisations which accord with the objects of the charity.

The Trustees are approached for donations by a wide variety of charitable institutions operating all over England. The trustees consider all requests which they receive and make donations based on the level of funds available.

Achievements and performance

During the year the charity continued to pursue its philanthropic objects in support of educational, religious and other charitable organisations. Income from donations and investments aggregated £172,128. Total resources expended were £140,327.

Grants and donations in the year totalled £78,000.

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

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

Year ended 31 March 2021

Financial review

The financial results of the charity's activities for the year to 31 March 2021 are fully reflected in the attached Financial Statements together with the Notes thereon.

The financial position of the Charitable Company is satisfactory.

Reserves policy

It is the policy of the Charitable Company to maintain unrestricted funds, which include the free reserves of the charity, at a level which the trustees consider appropriate, taking into account the future commitments of the charity and the likely costs of the charity for the next year. At 31 March 2021 the charity had unrestricted funds aggregating £3,037,588.

As at 31 March 2021, the charity had free reserves of £183,311.

Risk management

The Trustees have identified and reviewed the major risks to which the Charity is exposed, and are satisfied that systems are in place to manage those risks.

The principal risks to which the Charity is exposed are:

- The availability of liquid funds to make grants and donations
- Liabilities arising from property investment activity
- Tenant defaults
- Damage to property from flood, fire or terrorist action
- The economic cycle generally

The Trustees seek to manage or mitigate such risks wherever possible through measures including insurance, tenant screening and monitoring, external expert advice, monitoring cash and regular monitoring of the economic outlook. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Plans for future periods

The Charitable Company plans to continue the activities outlined above in the forthcoming years subject to sufficient income and in accordance with their grant making policy.

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 was approved on 29 MARCH 2022 and signed on behalf of the board of trustees by:



Mrs D Berger
Trustee

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

Independent Examiner's Report to the Trustees of KMB Estates

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of KMB Estates ('the charity') for the year ended 31 March 2021.

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

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.



Asher Sternlicht, FCA

Cohen Arnold
Independent Examiner

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

29 MARCH 2022

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

**Statement of Financial Activities
(including income and expenditure account)**

Year ended 31 March 2021

		2021	2020
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	5	15,000	133,000
Investment income	6	157,128	155,949
Total income		<u>172,128</u>	<u>288,949</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	7	(57,696)	(42,581)
Expenditure on charitable activities	8,9	(82,631)	(29,522)
Total expenditure		<u>(140,327)</u>	<u>(72,103)</u>
Net gains on investments	12	—	4,645
Net income and net movement in funds		<u>31,801</u>	<u>221,491</u>
Reconciliation of funds			
Total funds brought forward		3,005,787	2,784,296
Total funds carried forward		<u>3,037,588</u>	<u>3,005,787</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 7 to 13 form part of these financial statements.

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	3,525,000	3,525,000
Current assets			
Debtors	17	191,478	160,412
Cash at bank and in hand		1,219	360
		<u>192,697</u>	<u>160,772</u>
Creditors: amounts falling due within one year	18	<u>(680,109)</u>	<u>(679,985)</u>
Net current liabilities		<u>(487,412)</u>	<u>(519,213)</u>
Total assets less current liabilities		<u>3,037,588</u>	<u>3,005,787</u>
Net assets		<u>3,037,588</u>	<u>3,005,787</u>
Funds of the charity			
Unrestricted funds		3,037,588	3,005,787
Total charity funds	19	<u>3,037,588</u>	<u>3,005,787</u>


For the financial year in question the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit for accordance with section 476 of the Companies Act 2006.

The directors' acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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 29 MARCH 2022, and are signed on behalf of the board by:


Mr S Berger
Trustee

The notes on pages 7 to 13 form part of these financial statements.

**KMB ESTATES
COMPANY LIMITED BY GUARANTEE**

Notes to the Financial Statements

Year ended 31 March 2021

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 New Burlington House, 1075 Finchley Road, London, NW11 0PU.

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. 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

Notwithstanding the company's deficiency in net current assets, the financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due. This is on the basis that the Company has received an assurance from the primary creditor, that the amount owed to it will not be called for repayment until the company is in a position to make such a repayment without detriment to its ongoing activities.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The valuation of investment properties 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.

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Notes to the Financial Statements *(continued)*
Year ended 31 March 2021

3. Accounting policies *(continued)*

Taxation

The Charitable Company is not liable to direct taxation on its income as it falls within the various exemptions available to registered charities.

Fund accounting

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

Incoming resources

All 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 there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Resources expended

Expenditure is recognised as soon as there is a present obligation committing the Charity to pay out resources, it is probable that a transfer of economic benefits will be required in settlement and the amount can be measured or estimated reliably.

Grants payable are only recognised in the accounts when paid.

Investment management costs

Investment management costs include costs relating to the investment properties on an accrual basis.

Support costs

Support costs are those costs which are common to all areas of the organisation. These are allocated across all areas of activity on the basis of the number of service users for each activity.

Governance costs

Governance costs are associated with the governance arrangements of the charity and relate to the general running of the charity. These costs include audit, legal advice for Trustees and costs associated with meeting constitutional and statutory requirements such as the cost of Trustee meetings and the preparation of the statutory accounts.

KMB ESTATES
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Notes to the Financial Statements (continued)
Year ended 31 March 2021

3. Accounting policies (continued)

Investment property

Investment properties are recognised initially at cost.

Subsequent to initial recognition -

- Investment properties whose fair value can be measured reliably are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

The fair value of the investment properties is determined by the Trustees, based on their understanding of property market conditions and the specific properties concerned, using a sales valuation approach, derived from recent comparable transactions and market yields, adjusted by applying discounts to reflect status of occupation and condition.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

4. Limited by guarantee

The charity is a Company Limited by Guarantee and has no share capital. The liability of each Member in the event of winding up is limited to £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations received	<u>15,000</u>	<u>15,000</u>	<u>133,000</u>	<u>133,000</u>

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Notes to the Financial Statements (continued)

Year ended 31 March 2021

6. Investment income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Income from investment properties	<u>157,128</u>	<u>157,128</u>	<u>155,949</u>	<u>155,949</u>

7. Investment management costs

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Investment property outgoings	<u>57,696</u>	<u>57,696</u>	<u>42,581</u>	<u>42,581</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Alleviation of poverty, advancement of education and religion	78,000	78,000	25,000	25,000
Support costs	<u>4,631</u>	<u>4,631</u>	<u>4,522</u>	<u>4,522</u>
	<u>82,631</u>	<u>82,631</u>	<u>29,522</u>	<u>29,522</u>

9. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Alleviation of poverty, advancement of education and religion	<u>78,000</u>	<u>4,631</u>	<u>82,631</u>	<u>29,522</u>

10. Analysis of support costs

	Accountancy fees	Other governance costs	Total 2021	Total 2020
	£	£	£	£
Governance costs	<u>3,600</u>	<u>1,031</u>	<u>4,631</u>	<u>4,522</u>

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Notes to the Financial Statements (continued)
Year ended 31 March 2021

11. Analysis of grants

	2021
	£
Grants to institutions	
Friends of Mosdos Torah Veyira	30,000
Vishnitz Girls School Limited	20,000
Bais Hamedrash Ohel Yakov Ltd	20,000
The Beth Hamedrash Satmar Trust	8,000
Total grants	<u>78,000</u>

All grants and donations were paid to charitable institutions for the purposes of the provision of education, advancement of Jewish Religion and relief of poverty.

12. Net gains on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains on revaluation of investment property	<u>—</u>	<u>—</u>	<u>4,645</u>	<u>4,645</u>

13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>3,600</u>	<u>4,200</u>

14. Staff costs

There were no employees during the year.

15. Trustee remuneration and expenses

No trustees have been paid any remuneration or received any other benefits from the Charity.

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Notes to the Financial Statements (continued)
Year ended 31 March 2021

16. Investments

	Investment properties £
Fair value	
At 1 April 2020 and 31 March 2021	<u>3,525,000</u>
Impairment	
At 1 April 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	<u>3,525,000</u>
At 31 March 2020	<u>3,525,000</u>

All investments shown above are held at valuation.

Investment properties

The Company's investment properties were valued by the trustees at 31 March 2021 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.

In the event of the realisation of the company's investment properties at an amount equal to the valuation recorded in the financial statements, no liability to corporation tax on chargeable gains would arise because it is anticipated that all realised surpluses from the sale of investments will be applied for charitable purposes and therefore will be exempt from corporation tax.

The historical cost of the properties is £3,520,355.

17. Debtors

	2021 £	2020 £
Trade debtors	186,654	156,474
Prepayments and accrued income	4,824	3,938
	<u>191,478</u>	<u>160,412</u>

18. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,286	1,285
Accruals and deferred income	8,100	8,700
Other creditors	670,723	670,000
	<u>680,109</u>	<u>679,985</u>

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Notes to the Financial Statements (continued)
Year ended 31 March 2021

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Gains and losses £	At 31 March 2021 £
General funds	<u>3,005,787</u>	<u>172,128</u>	<u>(140,327)</u>	<u>—</u>	<u>3,037,588</u>

	At 1 April 2019 £	Income £	Expenditure £	Gains and losses £	At 31 March 2020 £
General funds	<u>2,784,296</u>	<u>288,949</u>	<u>(72,103)</u>	<u>4,645</u>	<u>3,005,787</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	3,525,000	3,525,000
Current assets	192,697	192,697
Creditors less than 1 year	<u>(680,109)</u>	<u>(680,109)</u>
Net assets	<u>3,037,588</u>	<u>3,037,588</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	3,525,000	3,525,000
Current assets	160,772	160,772
Creditors less than 1 year	<u>(679,985)</u>	<u>(679,985)</u>
Net assets	<u>3,005,787</u>	<u>3,005,787</u>

21. Related parties

i) Donations received represents amounts aggregating £15,000 received from a Company connected with the trustees of the Charitable Company. No restrictions were attached to any donations received.

ii) Other creditors represents loans aggregating £670,723 due to Companies connected with the trustees of the Charitable Company. The loans are interest-free and repayable on demand.