

L.M. KENDON SETTLEMENT
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2025

L.M. KENDON SETTLEMENT

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L.M. KENDON SETTLEMENT

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2025

Name

L.M. Kendon Settlement

Governing Document

The Settlement was created on 17th March 1977. By virtue of the Trust Deed all funds are subject to the general restriction that they may only be applied for the benefit of the elderly people resident in the London Borough of Newham.

The Settlement has charitable status and is registered with the Charity Commissioners under number 273449.

Trustees

The Trustees who served during the year were as follows:-

Mr. I.S. Laird
Rev. F. Ashford-Okai

Mr. C.J. Booty
Mrs. C.H. Bowden

New Trustees are only appointed with the unanimous agreement of all existing Trustees. All new Trustees attend relevant training courses, which the Chief Executive organises with external training organisations.

The pay and remuneration of the settlement's key management personnel is reviewed annually and set at levels commensurate with national averages, based on professional qualification and experience.

All trustees give their time freely and are not remunerated.

Chief Executive

- Mr. J.L. Barber

The Chief Executive managed the activities of the Settlement on a day to day basis during the year under review, subject to him taking specific advice from certain Trustees. All of the Trustees were kept fully informed of all activities and developments during the year through regular reporting from the Chief Executive.

Registered Address

- Construction House
Runwell Road
Wickford
Essex SS11 7HQ

Addresses of Advisors

Bankers

- Lloyds Bank Plc
4th Floor
125 London Wall
London EC2Y 5AS

Solicitors

- Druces LLP
Suite 425
Salisbury House
London Wall
London EC2M 5PS

Accountants

- Clay Ratnage Strevens & Hills
Construction House
Runwell Road
Wickford
Essex SS11 7HQ

L.M. KENDON SETTLEMENT

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2025

Addresses of Advisors (continued)

Auditors	-	Maynard Heady LLP Arlington House West Station Business Park Spital Road Maldon Essex CM9 6FF
Investment Managers	-	Rathbones Investment Management Company 30 Gresham Street London EC2V 7QN

Objectives and Activities

The principal objective of the Trust is to carry out the wishes of the Late Mrs. L.M. Kendon by utilising its funds for the benefit of the elderly people resident in the London Borough of Newham.

Following the sale of Kendon House in November 2023, the Trustees have been involved in resolving outstanding matters relating to the sheltered accommodation that was previously provided at the property. They have also transferred a substantial majority of the Trust's available investment funds to a managed investment portfolio with Rathbones Investment Management Company. Income generated from this portfolio will be utilised to meet the Trust's objectives, by making donations to other local charities, worthy causes and needy individuals in the London Borough of Newham.

Achievements and Plans for the Future

In addition to arranging the management of investment funds and paying out a first tranche of grants, the Trustees have resolved issues relating to the closure of Kendon House and have assisted the new owners in relation to the relocation of residents. They have also been involved in negotiations regarding the potential overage payment which was agreed in the sum of £110,000 in December 2025.

After carrying out some appropriate due diligence, the Trustees paid out several grants during the year under review and it is anticipated that these will recur in future years. Steps have been taken to establish an informative website with a view to advertising the Trust and its intention to donate funds to other charities and worthy causes in the Borough. The Trustees believe this will give rise to a substantial demand for assistance in future years, which will enable them to meet their objectives on an ongoing basis.

Financial Review

The Trustees are pleased to report that, during this transitional year, the Trust's overall operating surplus amounted to £62,922. A deficit of £189,181 did however arise on the revaluation of investment assets at the end of the year which produced an overall loss of £126,259. Such valuation was, however, subject to a market correction after date which substantially cancelled the deficit.

The reserves carried forward at the end of the year amounted to just over £10.65 million and the Trustees are thus happy as to the financial position of the Trust and believe it remains financially well placed to satisfy its objectives for the foreseeable future.

Reserves

The Trustees have given consideration to the Trust's reserve policy and have decided that the total assets that exist following the sale of Kendon House, inclusive of the overage payment, should be ring fenced and utilised to create income and gains (net of operating expenses) that will be used to benefit the appropriate beneficiaries. The ring fenced balance will, in due course, be subject to an increase of inflation plus 0.5 percent per annum going forward, in order to preserve the level of the reserves in real terms.

L.M. KENDON SETTLEMENT

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2025

Risk Management

The Trustees review the major risks faced by the charity during discussions that take place throughout the course of each year. Systems continue to be in place to monitor such risks and are regularly reviewed.

Public Benefit

In accordance with the stated objects and activities, the Trustees endeavour to honour the wishes of the Late Mrs. L.M. Kendon by utilising funds to provide benefit for elderly persons resident in the London Borough of Newham.

Investment income derived from the substantial investment funds held by the Trust are made available to assist elderly people in the London Borough of Newham, by way of donations to local charities and other worthy causes in the area. It is also anticipated that funds will be allocated to elderly individuals in the Borough to enable them to adapt their homes so that they can continue to live there independently for the foreseeable future.

The Trustees are very conscious of the perceived need to assist the other local charities, who need help to ensure they survive and continue to provide public benefit to our target group.

The Trustees are, accordingly, able to confirm that they have complied and continue to comply with Section 17 of the 2011 Charities Act by having regard to guidance published by the Charity Commission.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and the financial statements 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 financial statements 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

L.M. KENDON SETTLEMENT

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2025

Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the auditors are unaware and they have taken all the steps they ought to take, as trustees, in order to make the auditors aware of any relevant information and to establish they are aware of that information.

This report was approved by the Trustees on 26th January 2026 and signed on their behalf.

I.S. Laird

Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

L.M. KENDON SETTLEMENT

Opinion

We have audited the financial statements of L.M. Kendon Settlement for the year ended 31st March 2025 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report and Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

L.M. KENDON SETTLEMENT

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 4) 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of the entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law and regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

L.M. KENDON SETTLEMENT

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body. 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's trustees, for our audit work, for this report, or for the opinions we have formed.

Adam Cohen BA FCA

**Senior Statutory Auditor
Maynard Heady LLP**

**Arlington House
West Station Business Park
Spital Road
Maldon
Essex
CM9 6FF**

Date: 26th January 2026

L.M. KENDON SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	2025 Total Funds £	2024 Total Funds £
Income:-			
Rents and Fees Receivable	3	-	392,004
Investment Income	4	362,724	51,276
Total Income		362,724	443,280
Expenditure:-			
Charitable Activities	5	300,386	577,000
Total Expenditure		300,386	577,000
Net Income/(Outgoings) before Other Recognised Gains and Losses		62,338	(133,720)
Other Recognised Gains and Losses			
(Deficit)/Surplus on Revaluation of Current Assets		(189,181)	144,016
		(126,843)	10,296
Balances Brought Forward		10,777,850	10,767,554
Balances Carried Forward		10,651,007	10,777,850

The notes on pages 11 to 15 form part of these accounts

L.M. KENDON SETTLEMENT

BALANCE SHEET

AS AT 31ST MARCH 2025

	Note	2025		2024	
		£	£	£	£
Fixed Assets					
Tangible Assets	8		1,803		2,404
Current Assets					
Debtors	9		7,308		30,535
Current Asset Investments	10		10,204,932		2,102,287
Cash at Bank and in Hand			449,884		8,677,096
			<u>10,662,124</u>		<u>10,809,918</u>
Creditors: Amounts Falling Due Within One Year					
	11		(12,920)		(34,472)
Net Current Assets			<u>10,649,204</u>		<u>10,775,446</u>
			<u>10,651,007</u>		<u>10,777,850</u>
Unrestricted Funds					
General			10,651,007		10,678,939
Revaluation Reserve	13		-		98,911
			<u>10,651,007</u>		<u>10,777,850</u>

These accounts were approved by the Trustees on 26 January 2026 and signed on their behalf.

I.S. Laird

Trustee

The notes on pages 11 to 15 form part of these accounts

L.M. KENDON SETTLEMENT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2025

	2025 £	2024 £
Cash flows from Operating Activities		
Net Income/(Outgoings) before Other Recognised Gains and Losses	62,338	(133,720)
Adjustments for:		
Depreciation and Amortisation	601	6,879
Decrease in Debtors	23,227	38,176
Decrease in Creditors	(21,552)	(120)
Investment Income	(362,724)	(51,276)
Loss on Disposal of Fixed Assets	-	18,510
Loss on Disposal of Investments	16,616	28,266
Investments Portfolio Management Fees	28,987	14,223
Net Cash Generated from Operating Activities	(252,507)	(79,062)
Cash Flows from Investing Activities		
Purchase of Tangible Fixed Assets	-	(2,590)
Sale of Tangible Fixed Assets	-	8,545,000
(Purchase) of Investments	(8,291,826)	(1,775)
Interest Received	289,570	15,986
Dividends Received	73,154	35,290
Loss on Disposal of Investments	(16,616)	(28,266)
Investment Portfolio Management Fees	(28,987)	(14,223)
	(7,974,705)	8,549,422
(Decrease)/Increase in Cash and Cash Equivalents in the Year	(8,227,212)	8,470,360
Cash and Cash Equivalents at 1st April 2024	8,677,096	206,736
Cash and Cash Equivalents at 31st March 2025	449,884	8,677,096
Cash and Cash Equivalents at 31st March 2025 Comprise:		
Cash at bank and in hand	449,884	8,677,096

The notes on pages 11 to 15 form part of these accounts

L.M. KENDON SETTLEMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The settlement constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) Income Recognition

Income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Kendon House rents are included in the accounts on a receivable basis. Investment income, including interest on bank deposits, are brought into account when received.

(c) Expenditure Recognition

Expenditure is recognised once there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

The majority of the expenses are allocated as charitable expenditure, on the basis that they are incurred in the direct performance of the Trust's charitable activities. Expenses relating to the strategic management and statutory requirements of the Trust are, however, allocated as governance costs within the accounts.

(d) Allocation of Support Costs

Support costs are allocated between governance costs and charitable activities. Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice, together with an apportionment of overhead and support costs.

(e) Tangible Fixed Assets

All assets are capitalised at cost and depreciated over their estimated useful life, on the following basis:

Furniture and Equipment	25% Reducing balance
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L.M. KENDON SETTLEMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025

(f) Value Added Tax

The Trust is not registerable for Value Added Tax as its activities are classified as exempt. Expenditure in these accounts is thus disclosed inclusive of Value Added Tax paid.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) Creditors and Provisions

Creditors and provisions are recognised where the charity 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 after allowing for any trade discounts due.

(j) Financial Instruments

The Trust only 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 with the exemption of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. General Information

L.M. Kendon Settlement is a charity registered in England and Wales. Its principal place of business is Construction House, Runwell Road, Wickford. Essex, SS11 7HQ.

3. Rents and Fees Receivable

Rents and fees receivable, included as incoming resources, relate to the Trust's sheltered accommodation for the elderly at Kendon House.

4. Investment Income

Investment income comprises interest received on bank deposit account balances held by the Trust, together with income generated from the managed investment portfolio held by the Trust.

L.M. KENDON SETTLEMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025

5. Charitable Activities	2025	2024
	£	£
Light, Heat, Telephone and Rates	572	41,261
Repairs and Maintenance	10,681	31,206
Cleaning	-	16,838
Insurance	2,002	8,349
Staff Costs	125,187	188,280
Donations	-	200
Catering Expenses	-	3,242
Printing, Postage, Stationery and Advertising	999	1,070
Motor and Travel	393	680
General Expenses	3,513	4,135
Bad debts written off as irrecoverable	15,102	-
Grants paid	22,750	-
Governance Costs (see note 6)	93,913	216,852
Support Costs (see note 6)	25,274	64,887
	300,386	577,000
 6. Governance and Support Costs	 2025	 2024
	£	£
Governance Costs		
Staff Costs	55,492	107,488
Management Fees	3,222	8,364
Auditors' Remuneration	6,120	6,900
Legal and Professional Fees	28,987	92,715
Office and Travel Costs	92	1,385
	93,913	216,852
 Support Costs	 2025	 2024
	£	£
Depreciation and Amortisation	601	6,879
Loss on Disposal of Fixed Assets	-	18,510
Loss on Disposal of Investments	16,616	28,266
Finance Charges and Interest	193	120
Accountancy and Book-keeping	7,864	11,112
	25,274	64,887

L.M. KENDON SETTLEMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025

7. Staff Costs	2025	2024
	£	£
Salary Costs	39,628	<i>241,574</i>
National Insurance	6,051	<i>19,954</i>
Redundancy payments	135,000	<i>-</i>
Subcontract Labour	-	<i>34,240</i>
	180,679	<i>295,768</i>

The average number of employees during the year was as follows:

	2025	2024
Management	-	<i>3</i>

Employee annual salaries fell into the following bands:

	2025	2024
£100,001 - £110,000	1	<i>-</i>
£190,001 - £200,000	-	<i>1</i>

The Settlement considers its Key Management Personnel comprise the trustees and the Chief Executive Officer. The total employment benefits of the Key Management Personnel were £101,346 (2024 - £190,010).

8. Tangible Fixed Assets

	Furniture and Equipment £
Cost	
Balance at 1st April 2024 and 31st March 2025	4,266
Depreciation	
Balance at 1st April 2024	1,862
Charge for Year	601
Balance at 31st March 2025	2,463
Net Book Value	
At 31st March 2025	1,803
<i>At 31st March 2024</i>	<i>2,404</i>

L.M. KENDON SETTLEMENT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025

9. Debtors

	2025 £	2024 £
Trade debtors	890	20,374
Prepayments	757	928
Other debtors	5,661	9,233
	<u>7,308</u>	<u>30,535</u>

10. Current Asset Investments

	2025 £	2024 £
Listed Investments	10,204,932	2,102,287
	<u>10,204,932</u>	<u>2,102,287</u>

11. Creditors: Amounts Falling Due Within One Year

	2025 £	2024 £
Trade creditors	346	1,091
Accruals and deferred income	6,584	32,717
Tenant overpayments	5,986	-
Other creditors	4	664
	<u>12,920</u>	<u>34,472</u>

12. Transactions with Trustees and Connected Parties

No trustee received remuneration or expenses during the year (2024 - £Nil).

13. Revaluation Reserve

	2025 £	2024 £
Surplus Brought Forward	98,911	6,119,214
(Deficit)/Surplus Arising During the Year on Current Asset Investments	(98,911)	98,911
Realisation Upon Disposal of Property	-	(6,119,214)
	<u>-</u>	<u>-</u>
Surplus Carried Forward	-	98,911

14. Subsequent Events

Subsequent to the year end the Trustees negotiated an overage payment in relation to the sale of Kendon House. This was formally agreed in December 2025 in the sum of £110,000.