

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

Company No: 1393121

**FINANCIAL STATEMENTS**

**for the year ended**

**30 SEPTEMBER 2020**

**COHEN ARNOLD**  
**CHARTERED ACCOUNTANTS**  
**REGISTERED AUDITOR**  
**LONDON NW11 0PU**

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**  
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**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NAME:** The Shlomo Memorial Fund Limited

**STATUS:** Incorporated: 9th October 1978  
Registered Charity Number: 278973  
Company Registration Number: 1393121

**CHARITY TRUSTEES:** Mr E Kleinerman  
Mrs C Lopian  
Mr A Toporowitz  
Mr H Toporowitz  
Mr C Y Kaufman  
Mr M Y Sulam  
Mrs E Hoffner

**SECRETARY:** Mrs C Lopian

**PRINCIPAL OFFICE:** 11 Bury New Road  
Manchester  
M25 9JZ

**REGISTERED OFFICE:** New Burlington House  
1075 Finchley Road  
LONDON NW11 0PU

**AUDITOR:** Cohen Arnold  
New Burlington House  
1075 Finchley Road  
LONDON NW11 0PU

**PRINCIPAL BANKERS:** NatWest Bank Plc  
Stockton On Tees  
Leeds Customer Service Centre  
1 Victoria Place  
Holbeck  
LS11 5AN

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

The Trustees, who are also directors for the purposes of Company Law, have pleasure in presenting their Report, including a Strategic Report, together with the Consolidated Financial Statements of the Parent Charitable Company ('the Company') and its Subsidiary Undertakings for the year ended 30 September 2020.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and Administrative details of the Company are shown on page 1 of the Financial Statements which forms part of this report.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

***Governing Document***

The Shlomo Memorial Fund Limited is a Company limited by guarantee and its governing documents are its Memorandum and Articles of Association. It is a registered charity with the Charity Commission.

***Organisation***

The Company is administered by the Trustees. The Articles of Association of the Company do not require the Trustees to retire by rotation.

The day to day affairs of the Company are administered by the Trustees, the Chairman of which is Mr A Toporowitz.

All Trustees give their time voluntarily and no benefit or expenses were paid to them in the year.

***Appointment of Trustees***

New Trustees are appointed based on personal competence, specialist skills, availability and knowledge of and contact with institutions professing and teaching the principles of traditional Judaism and the advancement of religion in accordance with the Jewish faith. New Trustees are inducted into the workings of the Charity by the existing Trustees.

***Group Structure and Relationships***

The Company has the following wholly owned non-charitable subsidiaries:

<b><u>Company</u></b>	<b><u>Nature of Business</u></b>
Hartons Limited	Property Investment
Neranen Limited	Property Investment
Olnato Limited	Property Investment
Weymer Limited	Investment Company



**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

***Group Structure and Relationships (Continued)***

Olnato Limited has the following wholly owned subsidiaries:

<b><u>Company</u></b>	<b><u>Nature of Business</u></b>
Cloudpress Limited	Property Investment
Smart Mortgage Finance Limited	Provision of Finance
Talten Business Park Limited	Property Investment
Viewplus Limited	Property Investment

Viewplus Limited has the following wholly owned subsidiaries:

<b><u>Company</u></b>	<b><u>Nature of Business</u></b>
Paramount Care (Gateshead) Limited	Provision of Care Home facilities
Paramount Care Services (Gateshead) Limited	Dormant
The More Centre (Gateshead) Limited	Provision of Day Care facilities

The Trustees of this Company include directors of the above companies.

***Related Party Transactions***

The Company has taken advantage of the exemption of FRS 102 - Related Party Disclosures in order to dispense with the requirement to disclose transactions with members of The Shlomo Memorial Fund Limited Group of Companies.

**OBJECTIVES AND ACTIVITIES FOR THE BENEFIT OF THE PUBLIC**

The Company is established to further those purposes both in the United Kingdom and abroad recognised as charitable by English Law and in furtherance of the aforementioned objects, the Company receives income from its investment properties, cash deposits and subsidiary undertakings which it utilises in the provision and distribution of grants and donations for charitable purposes to organisations that fall within the objectives of the Company. It has concentrated its activities in promoting charitable activities of institutions teaching the principles of traditional Judaism, and the giving of philanthropic aid to the needy.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Company's aims and objectives and in planning future activities and setting the grant making policies 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 in the United Kingdom and abroad. The Trustees consider all requests which they receive and make donations based on the level of funds available.

In making Grants and Donations, the Trustees use their personal knowledge of the relevant Institutions, their representatives, operational efficiency and reputation. The Trustees monitor the application of the Grants and Donations by meeting with representatives of the Institutions and obtaining information as to the utilisation of funds.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

**FIXED ASSETS**

The movements in Fixed Assets are fully reflected in Notes 15 to 17 to the Financial Statements.

The Group's investment properties and investments are included in the Balance Sheet at fair value as disclosed in Notes 16 and 17 to the Financial Statements.

**STRATEGIC REPORT**

***Strategy and Business Model***

The Company invests in investment properties, cash deposits and investments in Subsidiary Undertakings to generate income with which it makes grants and donations to Charitable Organisations and Institutions that fall within the objectives of the Company.

***Achievements and Performance***

During the year the Company has continued its philanthropic activities and has maintained its support of organisations engaging in education, advancement of religion and the giving of philanthropic aid. The reserves remain available to organisations engaging in activities compatible with the aims and objectives of the Company. The Trustees expect such demands to increase in future years.

The financial results of the Company and its Subsidiary Undertakings for the year ended 30 September 2020 are fully reflected in the attached Financial Statements together with the Notes thereon.

Grants and donations in the year totalled £2,790,600 (2019: £1,908,816).

***Financial Review***

**Financial Position**

The financial position of the Company and its subsidiaries is satisfactory.

The Company's Consolidated Statement of Financial Activities shows Net Income for the year of £2,154,621 (2019: £3,654,073) and total reserves of £69,022,837 (2019: £66,868,216).

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

***Financial Review (Continued)***

**Reserves Policy**

The reserves of the Company are represented by the unrestricted funds arising from past net operating surpluses and include a reserve arising from the unrealised movement in the value of the Company's investment in subsidiary undertakings and its investment properties. By its very nature the element of unrestricted reserves represented by the revaluation surplus of investment in fixed assets is not readily available for distribution. The Trustees have adopted a policy that tries to ensure the continuing ability of the Company to meet its objectives. A proportion of reserves are to be invested to generate income at a level, such that the ever-increasing calls on the Company can be met by self-generated income. The level of reserves is under continuous strategic review.

**Principal Funding Sources**

The Company's principal funding sources in the year were its investment portfolio, together with donations received from subsidiary undertakings.

**Investment Policy**

Under the Memorandum and Articles of Association, the Company has the power to make investments which the Trustees consider appropriate. The Trustees effect investments which, over a medium period of years are anticipated to generate a dependable flow of income coupled with capital growth. The Company's investments are represented by its investment properties and its wholly owned subsidiary undertakings.

**Key Performance Indicators**

The Trustees monitor the group's performance against the strategic objectives on a regular basis. Performance is assessed against the strategy and expectations using financial and non-financial indicators. The key financial performance indicators used by the group are as follows:

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>£</b>	<b>£</b>
Grants and donations paid	2,790,600	1,908,816
Net investment income	2,244,771	2,622,966
Net gains on investments	1,647,555	2,504,650
Net movement in funds – surplus	2,154,621	3,654,073
Total Funds	69,022,837	66,868,216

***Plans For The Future***

The Trustees plan to continue to make distributions in accordance with their grant making policy and to ensure that the ability to generate sufficient income is maintained to achieve that end.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

***Principal Risks and Uncertainties***

The Trustees have identified and reviewed the major risks to which the group is exposed, in particular those related to the operations and finance of the group, and are satisfied that systems are in place to manage those risks.

The principal risks to which the group is exposed are:

- Liabilities arising from property investment activity
- Tenant defaults
- Damage to property from flood, fire or terrorist action
- The availability of liquid funds to make grants and donations
- The economic cycle generally, including the impact of Covid-19

The group seeks to manage or mitigate such risks wherever possible through measures including insurance, tenant screening and monitoring, rigorous reviews of acquisition and investment opportunities, 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.

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The Trustees (who are also the Directors of The Shlomo Memorial Fund Limited for the purposes of Company Law) are responsible for preparing the Trustees Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 Company and of the incoming resources and application of resources, including the income and expenditure, of the Charity Group for that period. Under company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and the income and expenditure of the Group 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 SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 Company will continue in operation.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS  
(Continued)**

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and Charity Legislation. The Trustees are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT OF DISCLOSURE TO AUDITORS**

In so far as the Trustees are aware at the time of approving the Trustees' Report:

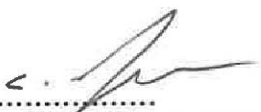
- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- The Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AUDITORS**

The auditors, Cohen Arnold, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Approved by the Trustees on 13.10.2021, including, in their capacity as Company Directors, the Strategic Report contained therein.

**By Order of the Trustees**

  
.....  
**MR C Y KAUFMAN – TRUSTEE**

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**  
**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**OPINION**

We have audited the financial statements of The Shlomo Memorial Fund Limited (the 'parent charitable company') and its subsidiaries ('the group') for the year ended 30 September 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 group 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 about the group's or the parent charitable company'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.

However, due to the current macro-economic impact of the Covid-19 pandemic and the higher level of uncertainty observed in the economy, including the uncertainty surrounding Brexit and the associated potential financial costs, we cannot predict all future events or conditions. As subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

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

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**  
**THE SHLOMO MEMORIAL FUND LIMITED (Continued)**  
**(LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within 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, the Trustees who are also the Directors of the parent charitable company for the purposes of company law 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 group's and the parent charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.



**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**  
**THE SHLOMO MEMORIAL FUND LIMITED (Continued)**  
**(LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



THE SHLOMO MEMORIAL FUND LIMITED  
(LIMITED BY GUARANTEE)

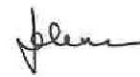
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
THE SHLOMO MEMORIAL FUND LIMITED (Continued)  
(LIMITED BY GUARANTEE)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

**USE OF OUR REPORT**

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

New Burlington House  
1075 Finchley Road  
LONDON  
NW11 0PU



JOSHUA NEUMANN  
(Senior Statutory Auditor)  
For and on behalf of  
COHEN ARNOLD  
Chartered Accountants  
& Statutory Auditor

Our audit was completed on.....13/10/2021..... and our opinion was expressed at that date.

*Cohen Arnold is eligible to act as an Auditor in terms of Section 1212 of the Companies Act 2006.*

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

		2020 Unrestricted Funds £	2019 Unrestricted Funds £
	Notes		
<b>Income and endowments from:</b>			
Donations and legacies		18,000	18,000
Investments	4	6,904,975	7,355,870
Other Income		5,190	-
Other Trading Activity	5	3,159,912	2,596,694
		<hr/>	<hr/>
<b>Total Income</b>		10,088,077	9,970,564
		<hr/>	<hr/>
<b>Expenditure on:</b>			
Investment Management Costs	6	4,660,204	4,732,904
Other Trading Expenditure	7	2,024,477	1,728,367
Charitable Activities	8	2,854,946	1,972,058
		<hr/>	<hr/>
<b>Total Expenditure</b>		9,539,627	8,433,329
		<hr/>	<hr/>
<b>Gains and Losses on Investments</b>			
Profit on Sale of Investment Properties	12	31,055	166,577
Surplus on Revaluation of Investment Properties		1,616,500	2,338,073
		<hr/>	<hr/>
<b>Net Gains on Investments</b>		1,647,555	2,504,650
		<hr/>	<hr/>
<b>Net Income before Tax</b>		2,196,005	4,041,885
		<hr/>	<hr/>
Taxation – charge	13	(41,384)	(387,812)
		<hr/>	<hr/>
<b>Net Income for the Year and Net Movement in Funds</b>	14	2,154,621	3,654,073
		<hr/>	<hr/>
<b>Reconciliation of Funds:</b>			
Total Funds Brought Forward		66,868,216	63,214,143
		<hr/>	<hr/>
<b>Total Funds Carried Forward</b>	23	£69,022,837	£66,868,216
		<hr/>	<hr/>

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 16 to 34 form part of these Financial Statements.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**AND SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2020**

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	15	199,132	190,353
Investment Properties	16	121,850,500	114,605,500
		<hr/>	<hr/>
		122,049,632	114,795,853
<b>CURRENT ASSETS</b>			
Debtors	18	5,924,430	6,275,795
Cash at Bank and on Deposit		3,184,065	1,760,214
		<hr/>	<hr/>
		9,108,495	8,036,009
<b>CREDITORS: Amounts falling due within one year</b>	19	(3,477,606)	(4,255,685)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		5,630,889	3,780,324
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>	<hr/>
		127,680,521	118,576,177
<b>CREDITORS: Amounts falling due after more than one year</b>	20	(57,938,560)	(51,026,321)
<b>Provisions for Liabilities &amp; Charges</b>	22	(719,124)	(681,640)
		<hr/>	<hr/>
<b>NET ASSETS</b>		£69,022,837	£66,868,216
		<hr/>	<hr/>
<b>The funds of the charitable Group:</b>			
Unrestricted Funds	23	69,022,837	66,868,216
		<hr/>	<hr/>
		£69,022,837	£66,868,216
		<hr/>	<hr/>

The Trustees have prepared Group Financial Statements in accordance with Section 399 of the Companies Act 2006. These Financial Statements constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The Financial Statements were approved by the Trustees on ~~13.10.2021~~ and signed on their behalf by:

  
.....  
MR C Y KAUFMAN – TRUSTEE

The notes on pages 16 to 34 form part of these Financial Statements.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(LIMITED BY GUARANTEE)**

**BALANCE SHEET AS AT 30 SEPTEMBER 2020**

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	15	15,448	20,597
Investment Properties	16	73,550,000	68,025,000
Investments	17	31,660,000	31,590,000
		<hr/>	<hr/>
		105,225,448	99,635,597
<b>CURRENT ASSETS</b>			
Debtors	18	1,225,648	2,277,376
Cash at Bank and on Deposit		959,139	936,869
		<hr/>	<hr/>
		2,184,787	3,214,245
<b>CREDITORS: Amounts falling due within one year</b>	19	(3,674,542)	(5,230,619)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(1,489,755)	(2,016,374)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		103,735,693	97,619,223
		<hr/>	<hr/>
<b>CREDITORS: Amounts falling due after more than one year</b>	20	(34,734,950)	(30,730,556)
		<hr/>	<hr/>
<b>NET ASSETS</b>		£69,000,743	£66,888,667
		<hr/>	<hr/>
<b>The funds of the charitable Company:</b>			
Unrestricted Funds	23	69,000,743	66,888,667
		<hr/>	<hr/>
		£69,000,743	£66,888,667
		<hr/>	<hr/>

The Financial Statements were approved by the Trustees and authorised for issue on ...13.10.2021 and signed on their behalf by:

.....  
MR C Y KAUFMAN – TRUSTEE

Company Registration No: 1393121

The notes on pages 16 to 34 form part of these Financial Statements.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
<b>Cash flows from operating activities:</b>			
Net cash (used in)/ provided by operating activities	25	(1,874,134)	808,626
<b>Cash flows from investing activities:</b>			
Interest received		190,334	462,295
Net rental income received		5,077,222	5,331,774
Purchase of tangible fixed assets		(34,301)	(16,378)
Purchase of investment properties		(5,777,500)	(13,803,272)
Proceeds from sale of investment properties		180,055	1,180,422
<b>Net cash used in investing activities</b>		(364,190)	(6,845,159)
<b>Cash flows from financing activities:</b>			
Interest paid		(2,472,511)	(2,272,618)
Increase in bank borrowings		7,157,046	6,538,817
(Decrease)/increase in other loan creditors		(202,186)	25,113
(Increase)/decrease in other loan debtors		(599,846)	720,753
<b>Net cash provided by financing activities</b>		3,882,503	5,012,065
<b>Change in cash and cash equivalents in the year</b>		1,644,179	(1,024,468)
Cash and cash equivalent at the beginning of the year		1,496,935	2,521,403
<b>Cash and cash equivalent at the end of the year</b>	25	£3,141,114	£1,496,935

The notes on pages 16 to 34 form part of these Financial Statements.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**1. GENERAL INFORMATION**

The Shlomo Memorial Fund Limited ('the Company') is a charitable company limited by guarantee and is incorporated in England and Wales. The Company's registered office is New Burlington House, 1075 Finchley Road, London NW11 0PU. The presentation currency of these Financial Statements is sterling.

**2. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102.

**3. ACCOUNTING POLICIES**

**Basis of Preparation**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Group Financial Statements**

These Financial Statements consolidate the results of the Company and its subsidiaries on a line-by-line basis. A separate statement of financial activities or income and expenditure account dealing with the results of the Company only has not been presented in accordance with Section 408 of the Companies Act 2006.

**Going Concern**

The outbreak of the Covid-19 pandemic and the associated lockdown has had a negative impact on the macro economy and the particular market that the group operates in. The Trustees have placed a particular focus on the group's going concern assessment and have considered the principal risks to the group. This assessment has considered the various probable outcomes of the pandemic on the group's operations and its future financial performance over the next twelve months, including a severe but plausible decline in revenues, an increase in impairment of rent arrears and a reduction in property values. Uncertainty surrounding the impact of Brexit and the associated potential financial costs may also have a negative effect. These risks are beyond the control of the group and represent uncertainty to the revenue and cash flow of the group for the foreseeable future.

Notwithstanding the uncertainties, the financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the group and available sources of finance. In reaching their conclusion, the Trustees recognise that the group continues to meet its banking covenants and none of the group's loan facilities are falling due for repayment within the next twelve months. In addition, the Trustees have the ability to exercise control over the Company's grant making charitable activities due to the absence of any legally binding obligations.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**3. ACCOUNTING POLICIES (Continued)**

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**Judgements and Key Sources of Estimation Uncertainty**

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below:

i. Property valuations

The Group's property portfolio is valued by either an external independent valuer with appropriate qualifications and experience or the directors based on their understanding of property market conditions. The valuation of the Group's 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.

ii. Debtors

Management uses details of the age of 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.

**Income**

All donations are recognised in the Statement of Financial Activities (SOFA) of the Company when it has unconditional entitlement to the resources. Donations represent voluntary amounts received during the year.

All other income is recognised on a receivable basis. This includes income from investments and deposits, rentals from property assets, income from the provision of care home facilities and grants and donations received by the Group.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

**Investment Management Costs**

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

**Governance Costs**

Governance costs include costs of the preparation and audit of financial statements and cost of any legal advice to Trustees on governance or constitutional matters and is recognised on an accrual basis.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**3. ACCOUNTING POLICIES (Continued)**

**Taxation**

The Company is not liable to direct taxation on its income and gains as they fall within the various exemptions available to registered charities. The subsidiary undertakings are subject to Corporation Tax but it is expected that their taxable profits will be gifted for charitable purposes and therefore no tax liability should arise.

Notwithstanding the above, deferred tax is recognised in respect of all timing differences present in the non-charitable subsidiary undertakings. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Liability Recognition**

Liabilities are recognised as soon as there is a present obligation committing the entity 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.

**Fund Accounting**

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. 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-aside at the discretion of the Trustees for specific purposes. There are no designated funds as at the Balance Sheet date.

**Fixed Assets**

All fixed assets are initially recorded at cost.

**Depreciation**

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

Plant & Machinery	-25% reducing balance
Furniture & Fittings	-25% reducing balance
Motor Vehicles	-25% reducing balance

**Properties Held for Investment**

Properties classified as investments are included in the Balance Sheet at fair value. Any gains or losses arising from changes in the fair value are recognised in the Statement of Financial Activities. In accordance with FRS 102, no depreciation or amortisation is provided in respect of freehold or long-leasehold investment properties.

**Acquisitions and Disposals of Properties**

Acquisitions and Disposals of properties are considered to take place at the date of legal completion and are included in the Financial Statements accordingly.

**Investment in Subsidiary Undertakings**

Shareholdings acquired are included in the Financial Statements at fair value; any surplus or deficit on revaluation is taken to the SOFA.

**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 Group after deducting all of the liabilities.



**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**3. ACCOUNTING POLICIES (Continued)**

**Basic Financial Instruments**

Cash and cash equivalents.

Cash and cash equivalents comprise cash balances and call deposits.

**Trade and other debtors**

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

**Trade and other creditors**

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

**Related Party Transactions**

The Company has taken advantage of the exemption of FRS 102 - Related Party Disclosures in order to dispense with the requirement to disclose transactions with members of The Shlomo Memorial Fund Limited Group of Companies.

**4. INVESTMENT INCOME**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Income from Investment Properties	6,688,328	7,025,921
Interest Receivable	216,647	329,949
	<u>6,904,975</u>	<u>7,355,870</u>

All investment income is derived from UK investments.

**5. OTHER TRADING ACTIVITY**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Other Trading Income	3,159,912	2,596,694
	<u>3,159,912</u>	<u>2,596,694</u>

Other Trading Income relates to the provision of care home facilities operated by the Group.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**6. INVESTMENT MANAGEMENT COSTS**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Investment Property Outgoings	1,611,106	1,694,147
Management and Administration	614,250	732,821
Interest Payable	2,434,848	2,305,936
	<hr/>	<hr/>
	4,660,204	4,732,904
	<hr/>	<hr/>

**7. OTHER TRADING EXPENDITURE**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Other Trading Expenditure	2,024,477	1,728,367
	<hr/>	<hr/>

Other Trading Expenditure relates to the cost of providing care home facilities operated by the Group.

**8. EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Grant funding activities (Note 9)	2,790,600	1,908,816
Governance costs (Note 10)	64,346	63,242
	<hr/>	<hr/>
	2,854,946	1,972,058
	<hr/>	<hr/>

**9. GRANTS AND DONATIONS**

All Grants and Donations were paid to charitable institutions for the advancement of religion and education or for the relief of poverty.

The following donations were made during the year ended 30 September 2020:

<b>Recipients of Institutional Grants</b>	<b>£</b>
Layesharim Tehilla	192,000
Ziv Hakehilla	184,000
Yad Tomechet LeNizkak Batzafon	181,000
Matan Bseser	150,000
Yissochor Beholecho	145,000
Beer Ha'olam	114,500
Kupat Tzdaka Leman Aniyei Ramat Bet Shemesh	76,000
Chaim Vuchesed Organisation	75,000

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**9. GRANTS AND DONATIONS (Continued)**

	£
Yad Latzafon	73,500
Arucha Chama Bechol Yom	65,000
Yachad Meizlish	65,000
Lehava Shel Torah	58,500
Meor HaTorah	58,500
Keren Zichron Shlomo	52,000
Mimamakim Chesed uMarpeh	52,000
Shaarei Tehilla	52,000
Ohr Chana	51,200
Enrico Fund	51,000
Bnei Banim Mosdot Torah Vechinuch	46,800
Tehillas Shlomo	46,800
Nachlat Haleviim	42,000
Anachnu Vetzeitainu	39,000
Ateret Avot	39,000
Beit Vaad Lelimud Vedaat Chaim	39,000
Birkat Horai	39,000
Bnei Hayeshivot Meizlish	39,000
HaMercatz leTikun Chatzos	39,000
Hashutfim Lomdei veTomchei Torah	39,000
Hitachdut Shem Olam Bet Shemesh	39,000
Kollel Yeshivas Yosef Chaim	39,000
Mosdot haChinuch haYerushalmi	39,000
Peer Avot	39,000
Pnei Yitzchak	39,000
Shaarei Limud	39,000
Yachad Besimcha	39,000
Kol HaChinuch	36,000
Mosdot Tora Vadaat Jerusalem and Be	36,000
Pninei Torah	36,000
Meorot Zvi	33,500
Minchat Yehuda	31,000
Dorshi Tzion Elit	26,000
Beis Hillel	25,000
Chanichei Yeshivas Slabodka	23,000
Friends of Mosdos Torah	21,000
Yeshivas Mateh Aharon	21,000
Igud Hakollelim	18,000
Mateh Aharon	18,000
Colel Lavrechim Behir Beitar	17,000
Mercatz Ruchni Ayelet Hashachar	12,000
Shlavim Betaasuka	10,000
USA Tehillas Shlomo	10,000
Yeshiva LZeirim	10,000
	2,761,300
Other donations (below £10,000)	29,300
	2,790,600

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**10. ANALYSIS OF GOVERNANCE COSTS**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	49,000	49,000
Bookkeeping fees	3,307	3,787
Bank charges	700	857
Legal and professional fees	6,163	7,703
General expenses	5,176	1,895
	<u>64,346</u>	<u>63,242</u>

**11. STAFF COSTS AND EMOLUMENTS**

	<b>2020</b>	<b>2019</b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
The aggregate payroll costs for the Group were:		
Wages and salaries	1,827,402	1,694,365
Social security	123,719	109,594
	<u>1,951,121</u>	<u>1,803,959</u>

The average number of staff employed by the Group during the financial year amounted to:

	<b><u>2020</u></b>	<b><u>2019</u></b>
Number of nursing staff	80	81
Number of administrative staff	10	7
Number of management staff	6	5
	<u>96</u>	<u>93</u>

**12. PROFIT ON SALE OF INVESTMENT PROPERTIES**

	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>Unrestricted Funds</b>	
	<b>£</b>	<b>£</b>
Net sale proceeds	180,055	1,180,422
Book value of properties sold	(149,000)	(1,013,845)
	<u>31,055</u>	<u>166,577</u>

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**13. TAXATION**

**Major components of tax expense**

	<u>2020</u>	<u>2019</u>
	<u>Unrestricted Funds</u>	
	<u>£</u>	<u>£</u>
<b>Current tax:</b>		
Current year	3,900	-
	<u>          </u>	<u>          </u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	37,484	387,812
	<u>          </u>	<u>          </u>
<b>Tax charge</b>	<u>41,384</u>	<u>387,812</u>

All tax is recognised in the Consolidated Income and Expenditure Account.

**Reconciliation of tax expense**

The tax assessed on the net income for the year is lower than the standard rate of corporation tax in the UK of 19% (2019: 19%).

	<u>2020</u>	<u>2019</u>
	<u>Unrestricted Funds</u>	
	<u>£</u>	<u>£</u>
Net income before tax	2,196,005	4,041,885
	<u>          </u>	<u>          </u>
Net income by rate of tax	417,240	767,957
Income and gains exempt from tax	25,826	(126,793)
Expenses not deductible for tax	-	31
Effect of capital allowance and depreciation	(1,090)	660
Impact of change in tax rate	-	42,450
Timing difference on unrealised gains	(61,139)	63,371
Unused tax losses carried forward	-	32,882
Timing difference on gift aid	(332,633)	(345,186)
Effect of indexation on sale of investments	(3,620)	(53,239)
Other differences	(3,200)	5,679
	<u>          </u>	<u>          </u>
<b>Taxation charge</b>	<u>41,384</u>	<u>387,812</u>

The deferred tax liability at 30 September 2020 has been calculated based on the rate of 19% (2019: 19%).

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**14. NET MOVEMENT IN FUNDS**

This is stated after charging the Group:

	<u>2020</u>	<u>2019</u>
	<u>Unrestricted Funds</u>	
Auditor' Remuneration		
Audit fees - Charity	£49,000	£49,000
Audit fees – Subsidiary undertakings	£68,800	£72,000
Other fees	-	-
Depreciation	£25,522	£37,799
	<u>£143,322</u>	<u>£158,800</u>

No salaries or wages or other benefits have been paid to the Trustees during the year.

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

Of the Net Movement in Funds of the Group an amount of £2,112,076 (2019: £3,673,332) has been dealt with in the Statement of Financial Activities of the Company itself.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**15. TANGIBLE FIXED ASSETS**

**THE GROUP**

	<b><u>Plant &amp; Machinery</u></b> £	<b><u>Furniture &amp; Fittings</u></b> £	<b><u>Motor Vehicles</u></b> £	<b><u>Total</u></b> £
<b>Cost</b>				
At 1 October 2019	432,571	40,490	19,251	492,312
Additions	749	2,381	31,171	34,301
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2020	433,320	42,871	50,422	526,613
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 October 2019	268,408	19,893	13,658	301,959
Charge for the Year	18,419	5,236	1,867	25,522
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2020	286,827	25,129	15,525	327,481
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>				
At 30 September 2020	146,493	17,742	34,897	199,132
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2019	164,163	20,597	5,593	190,353
	<hr/>	<hr/>	<hr/>	<hr/>

**THE COMPANY**

	<b><u>Fixtures &amp; Fittings</u></b> £
<b>Cost</b>	
At 1 October 2019	40,490
Additions	-
	<hr/>
At 30 September 2020	40,490
	<hr/>
<b>Depreciation</b>	
At 1 October 2019	19,893
Charge for the Year	5,149
	<hr/>
At 30 September 2020	25,042
	<hr/>
<b>Net Book Value</b>	
At 30 September 2020	15,448
	<hr/>
At 30 September 2019	20,597
	<hr/>

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**16. INVESTMENT PROPERTIES**

<b>THE GROUP</b>	<b>Freehold Investment Properties £</b>	<b>Leasehold Investment Properties £</b>	<b>Total £</b>
<b>Fair value</b>			
At 1 October 2019	102,387,500	12,218,000	114,605,500
Additions	5,775,876	1,624	5,777,500
Disposals	(149,000)	-	(149,000)
Revaluation	908,124	708,376	1,616,500
	<hr/>	<hr/>	<hr/>
At 30 September 2020	108,922,500	12,928,000	121,850,500
	<hr/>	<hr/>	<hr/>

The investment properties are stated at market value as at 30 September 2020.

**Tangible assets held at valuation**

An independent professional valuation of the Group's investment properties was carried out at 30 September 2020 by Lambert Smith Hampton, RICS registered valuers. The valuation is based on open market values in accordance with the RICS Valuation Standards – Red Book Global.

The historical cost of the group's investment properties at 30 September 2020 is £96,913,595 (2019: £91,250,847).

**Valuation techniques and key inputs**

The valuer's opinion of market value was derived using recent comparable market transactions at arm's length, subject to the existing tenancies or with full vacant possession.

The Covid-19 pandemic, together with the associated lockdown, has impacted market activity. Given these unprecedented circumstances, the above valuations are deemed to be uncertain on the basis that the assumptions upon which they are based may prove to be inaccurate. Consequently, a higher degree of caution should be attached to the valuations than would normally be the case.

<b>THE COMPANY</b>	<b>Freehold Investment Properties £</b>	<b>Leasehold Investment Properties £</b>	<b>Total £</b>
<b>Fair value</b>			
At 1 October 2019	59,420,000	8,605,000	68,025,000
Additions	4,425,944	1,624	4,427,568
Revaluation	474,056	623,376	1,097,432
	<hr/>	<hr/>	<hr/>
At 30 September 2020	64,320,000	9,230,000	73,550,000
	<hr/>	<hr/>	<hr/>

An independent professional valuation of the Company's investment properties was carried out at 30 September 2020 by Lambert Smith Hampton, RICS registered valuers. The valuation is based on open market values in accordance with RICS Valuation Standards - Red Book Global.

The historical cost of the Company's investment properties at 30 September 2020 is £67,122,406 (2019: £62,694,838).

All the Company's investment properties were held in the UK.



**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**17. INVESTMENTS**

**THE COMPANY**

	At 30 September 2020	Revaluation	At 1 October 2019
Investment in Subsidiary Undertakings	£31,660,000	£70,000	£31,590,000

- a) The Company owns directly or indirectly the whole of the issued ordinary share capital in the following companies, all of which are incorporated in Great Britain and registered in England and Wales.

***Directly Owned:***

<b><u>Company</u></b>	<b><u>Company Registration Number</u></b>
Hartons Limited	04572804
Neranen Limited	09667377
Olnato Limited	01446600
Weymer Limited	04572794

***Indirectly Owned:***

<b><u>Company</u></b>	
Cloudpress Limited	04592197
Paramount Care (Gateshead) Limited	07959750
Paramount Care Services (Gateshead) Limited	07959737
Smart Mortgage Finance Limited	05628260
Talten Business Park Limited	02942606
The More Centre (Gateshead) Limited	08302096
Viewplus Limited	08276273

- b) The fair value at 30 September 2020 of the Investment in the Subsidiary Undertakings is based on the underlying value of assets less liabilities of those companies. All of the investment properties held by these Subsidiary Undertakings were professionally valued by an independent valuer.

The Company has made no provision for any latent liability to Corporation Tax on unrealised surpluses resulting from the revaluations. It is anticipated that most, if not all, realised surpluses would be applied for the benefit of this Company's charitable purposes and that little, if any, tax liability would arise.

The historical cost of the Company's Investment in Subsidiary Undertakings is £9.

- c) The Financial Statements of the Subsidiary Undertakings are made up annually to September except for Cloudpress Limited and Talten Business Park Limited which are made up annually to December.

The Financial Statements of the Subsidiary Undertakings, whose Financial Statements are non-coterminous with those of the Company, used in preparing the Consolidated Financial Statements, have been prepared as of the reporting date closest to that of the Company.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**17. INVESTMENTS (Continued)**

A summary of turnover and profit or loss for the year is shown below for each subsidiary undertaking.

<u>Company</u>	<u>Year Ended</u>	<u>Turnover</u> £	<u>Net Profit/ (Loss) (excluding Gift Aid)</u> £	<u>Gift Aid</u> £	<u>Net Profit/ (Loss) for year</u> £
Cloudpress Ltd	31.12.20	59,568	57,278	(200,000)	(142,722)
Hartons Ltd	30.09.20	171,950	47,302	-	47,302
Neranen Ltd	30.09.20	1,304,041	532,261	(750,000)	(217,739)
Olnato Ltd	30.09.20	969,876	984,783	(663,000)	321,783
Paramount Care (Gateshead) Ltd	30.09.20	3,159,912	21,497	-	21,497
Paramount Care Services (Gateshead) Ltd	30.09.20	-	-	-	-
Smart Mortgage Finance Ltd	30.09.20	167,215	(282)	-	(282)
Talten Business Park Ltd	31.12.20	-	(2,241)	-	(2,241)
The More Centre (Gateshead) Ltd	30.09.20	-	(32,317)	-	(32,317)
Viewplus Ltd	30.09.20	850,000	654,264	(565,000)	89,264
Weymer Ltd	30.09.20	-	-	-	-

The assets, liabilities, capital and reserves of the subsidiary undertakings are as follows:

<u>Company</u>	<u>Balance Sheet Date</u>	<u>Assets</u> £	<u>Liabilities</u> £	<u>Capital &amp; Reserves/ (Deficit)</u> £
Cloudpress Ltd	31.12.20	2,312,780	(1,799,790)	512,990
Hartons Ltd	30.09.20	2,512,668	(1,726,528)	786,140
Neranen Ltd	30.09.20	16,555,979	(14,498,095)	2,057,884
Olnato Ltd	30.09.20	36,019,602	(10,404,767)	25,614,835
Paramount Care (Gateshead) Ltd	30.09.20	795,896	(788,555)	7,341
Paramount Care Services (Gateshead) Ltd	30.09.20	-	(316)	(316)
Smart Mortgage Finance Ltd	30.09.20	2,524,758	(2,518,199)	6,559
Talten Business Park Ltd	31.12.20	1,486,017	(7,392)	1,478,625
The More Centre (Gateshead) Ltd	30.09.20	14,411	(235,646)	(221,235)
Viewplus Ltd	30.09.20	8,192,033	(5,607,491)	2,584,542
Weymer Ltd	30.09.20	158,002	(174,126)	(16,124)

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**18. DEBTORS**

	<b><u>The Group</u></b>		<b><u>The Company</u></b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rent and Service Charges	1,375,018	1,650,689	800,587	887,993
Other Debtors and Prepayments	1,243,743	1,919,283	425,061	1,389,383
Loan Debtors	3,305,669	2,705,823	-	-
	<u>5,924,430</u>	<u>6,275,795</u>	<u>1,225,648</u>	<u>2,277,376</u>

Loan debtors are sterling loans which bear interest at various interest rates ranging from 5% to 9.5% per annum and are repayable on demand.

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b><u>The Group</u></b>		<b><u>The Company</u></b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank Loans and Overdrafts	402,538	580,245	33,999	263,279
Amounts owed to Group Undertakings	-	-	1,928,222	3,265,178
Rent and Service Charges in Advance	471,607	633,931	239,713	462,458
Taxation and Social Security	243,990	309,721	-	-
Other Creditors and Accruals	2,359,471	2,731,788	1,472,608	1,239,704
	<u>3,477,606</u>	<u>4,255,685</u>	<u>3,674,542</u>	<u>5,230,619</u>

The Bank Loans and Overdrafts are secured on certain of the Group's properties.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b><u>The Group</u></b>		<b><u>The Company</u></b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
Bank Loans	57,695,305	50,580,880	34,734,950	30,730,556
Loan Creditor (see below)	243,255	445,441	-	-
	<u>57,938,560</u>	<u>51,026,321</u>	<u>34,734,950</u>	<u>30,730,556</u>

The Loan Creditor is a sterling loan bearing interest at 5% per annum and is repayable in December 2021.

**21. BANK LOANS**

Bank Loans, included in Creditors falling due after more than one year, are analysed as follows:

	<b><u>The Group</u></b>		<b><u>The Company</u></b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
Repayable within 5 years	51,909,021	48,101,573	34,734,950	30,730,556
Repayable after 5 years	6,145,871	2,796,273	-	-
	<u>58,054,892</u>	<u>50,897,846</u>	<u>34,734,950</u>	<u>30,730,556</u>
Less Amounts Repayable within 1 year	(359,587)	(316,966)	-	-
	<u>57,695,305</u>	<u>50,580,880</u>	<u>34,734,950</u>	<u>30,730,556</u>

Details of loans repayable after 5 years are as follows:

		<b><u>The Group</u></b>		<b><u>The Company</u></b>	
		<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
		<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
<b><u>Loans</u></b>	<b><u>Interest Rate</u></b>				
<b><u>Terminating in</u></b>					
2027	2.75% above Unity				
	Bank Base Rate	1,066,145	1,182,237	-	-
2028	2.75% above Unity				
	Bank Base Rate	1,580,384	1,614,036	-	-
2030	3.00% above Bank				
	Base Rate (subject to a				
	Minimum of 3%)	3,499,342	-	-	-
		<u>6,145,871</u>	<u>2,796,273</u>	<u>-</u>	<u>-</u>

The Bank Loans and Mortgages are secured by legal charges over certain of the properties of the group.

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**22. PROVISION FOR LIABILITIES & CHARGES**

	<u>2020</u> £	<u>2019</u> £
Balance at the beginning of the year	681,640	293,828
Charge for the year	37,484	387,812
	<hr/>	<hr/>
Balance at the end of the year	719,124	681,640
	<hr/>	<hr/>

Deferred tax is recognised in respect of timing differences from the revaluation of assets classified as investments in the non-charitable subsidiary undertakings. Although the provision has been recognised in accordance with FRS 102, it is expected that any realised surpluses will be applied solely for charitable purposes and such tax should not become payable.

Deferred tax has not been recognised in respect of revaluation of investments by the parent Company on the basis that all such gains will be applied for charitable purposes.

**23. UNRESTRICTED FUNDS**

<b>The Group</b>	<b>£</b>
Balance at 1 October 2019	66,868,216
Total Income for the year	10,088,077
Total Expenditure for the year	(9,539,627)
Net Gains on Investments	1,647,555
Taxation – charge	(41,384)
	<hr/>
Balance at 30 September 2020	69,022,837
	<hr/>
<b>The Company</b>	<b>£</b>
Balance at 1 October 2019	66,888,667
Total Income for the year	6,411,028
Total Expenditure for the year	(5,466,384)
Net Gains on Investments	1,167,432
	<hr/>
Balance at 30 September 2020	69,000,743
	<hr/>

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**24. FINANCIAL INSTRUMENTS**

	<u>The Group</u>		<u>The Company</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£
<i>Financial assets measured at fair value through income and expenditure:</i>				
Unlisted investment (Note 17)	-	-	31,660,000	31,590,000
<i>Financial assets measured at amortised cost:</i>				
Debtors (Note 18)	5,924,430	6,275,795	1,225,648	2,277,376
<i>Financial liabilities measured at amortised cost:</i>				
Creditors (Notes 19 & 20)	61,416,166	55,282,006	38,409,492	35,961,175

**25. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**

**Reconciliation of net income to net cash flow from operating activities**

	<u>2020</u>	<u>2019</u>
	£	£
Net income for the year	2,154,621	3,654,073
Adjustment for:		
Depreciation	25,522	37,799
Loss on sale of fixed assets	-	164
Interest receivable	(216,647)	(329,949)
Net rental income receivable	(5,077,222)	(5,331,774)
Interest payable	2,434,848	2,305,936
Taxation	41,384	387,812
Gains on investment assets	(1,647,555)	(2,504,650)
Decrease in debtors	977,524	1,742,262
(Decrease)/Increase in creditors	(566,609)	846,953
	(1,874,134)	808,626
Tax paid	-	-
Net cash (used in)/provided by operating activities	£(1,874,134)	£808,626

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**25. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**

**Analysis of cash and cash equivalents**

	<b><u>2020</u></b> <b><u>£</u></b>	<b><u>2019</u></b> <b><u>£</u></b>
Cash at bank and in hand	3,184,065	1,760,214
Bank overdrafts	(42,951)	(263,279)
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>3,141,114</b>	<b>1,496,935</b>
	<hr/>	<hr/>

**Analysis of changes in net debt**

	<b>At 1 October 2019 £</b>	<b>Cash Flows £</b>	<b>At 30 September 2020 £</b>
Cash and cash equivalents	1,496,935	1,644,179	3,141,114
Bank borrowings	(50,897,846)	(7,157,046)	(58,054,892)
Loan debtors	2,705,823	599,846	3,305,669
Loan creditors	(445,441)	202,186	(243,255)
	<hr/>	<hr/>	<hr/>
	<b>(47,140,529)</b>	<b>(4,710,835)</b>	<b>(51,851,364)</b>
	<hr/>	<hr/>	<hr/>

**26. COMMITMENTS UNDER OPERATING LEASES**

**As Lessee:**

At the Balance Sheet date, future minimum lease payments payable by the group under non-cancellable operating leases were as follows:

	<b><u>2020</u></b> <b><u>£</u></b>	<b><u>2019</u></b> <b><u>£</u></b>
Within one year	382,308	356,358
In two to five years	1,529,231	1,425,431
More than five years	39,966,585	38,121,095
	<hr/>	<hr/>
	<b>41,878,124</b>	<b>39,902,884</b>
	<hr/>	<hr/>

**THE SHLOMO MEMORIAL FUND LIMITED**  
**(AND SUBSIDIARY UNDERTAKINGS)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**26. COMMITMENTS UNDER OPERATING LEASES (*Continued*)**

**As Lessor:**

At the Balance Sheet date, future minimum lease payments payable to the group under non-cancellable operating leases were as follows:

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Within one year	3,888,762	4,071,134
In two to five years	11,158,099	11,526,929
More than five years	15,655,549	17,305,045
	<hr/>	<hr/>
	30,702,410	32,903,108
	<hr/>	<hr/>

**27. CONTINGENT LIABILITIES AND GUARANTEES**

The Company has given guarantees totalling £17m in respect of bank facilities obtained by certain of its subsidiary undertakings. The balance outstanding on these facilities at 30 September 2020 was £17.6m (2019: £16.3m).

The Company has also given a guarantee amounting to £2.9m in respect of a bank facility obtained by United Institutions Charitable Trust. The balance outstanding on this facility at 30 September 2020 was £2.8m (2019: £2.9m).

**28. CONTROL**

The Company, which is incorporated for charitable purposes, has no controlling party.



**THE SHLOMO MEMORIAL FUND LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**  
**(STATEMENT OF FINANCIAL ACTIVITIES)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**THIS DOES NOT FORM PART OF THE FINANCIAL STATEMENTS**

	<b>2020</b> <b>Unrestricted Funds</b> <b>£</b>	<b>2019</b> <b>Unrestricted Funds</b> <b>£</b>
<b>Income and endowments from:</b>		
Donations and legacies	2,196,000	1,584,000
Investments	4,215,028	4,578,830
	<hr/>	<hr/>
<b>Total Income</b>	<b>6,411,028</b>	<b>6,162,830</b>
	<hr/>	<hr/>
<b>Expenditure on:</b>		
Investment Management Costs	2,611,438	2,588,351
Charitable Activities		
Grants and Donations	2,790,600	1,908,816
Governance Costs	64,346	63,242
	<hr/>	<hr/>
<b>Total Expenditure</b>	<b>5,466,384</b>	<b>4,560,409</b>
	<hr/>	<hr/>
<b>Gains and Losses on Investments</b>		
Profit on Sale of Investment Properties	-	8,060
Surplus on Revaluation of Investment Properties	1,097,432	622,851
Surplus on Revaluation of Subsidiary Undertakings	70,000	1,440,000
	<hr/>	<hr/>
<b>Net Gain on Investments</b>	<b>1,167,432</b>	<b>2,070,911</b>
	<hr/>	<hr/>
<b>Net Income for the Year and</b>		
<b>Net Movements of Funds</b>	<b>2,112,076</b>	<b>3,673,332</b>
	<hr/>	<hr/>
<b>Total Funds Brought Forward</b>	<b>66,888,667</b>	<b>63,215,335</b>
	<hr/>	<hr/>
<b>Total Funds Carried Forward</b>	<b>69,000,743</b>	<b>66,888,667</b>
	<hr/>	<hr/>

**THE SHLOMO MEMORIAL FUND LIMITED**

**PROPERTY REVENUE ACCOUNT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**THIS DOES NOT FORM PART OF THE FINANCIAL STATEMENTS**

	2020		2019	
	£	£	£	£
Rents and Charges Receivable		4,214,673		4,563,539
Deduct: Property outgoings				
Rents	279,686		243,350	
Rates	64,088		93,365	
Repairs	87,389		120,812	
Light and Heat	271,308		278,606	
Porterage and Cleaning	54,028		79,849	
Insurance	120,891		98,101	
Service Charges	24,167		20,580	
Security	68,350		68,091	
Legal and Professional Charges	34,885		54,300	
Management Commission	276,498		283,375	
Letting Fees	9,029		3,900	
Depreciation – Furniture & Equipment	5,149		6,866	
		(1,295,468)		(1,351,195)
		2,919,205		3,212,344