

KRF SERVICES (UK) LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

KRF SERVICES (UK) LTD

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KRF SERVICES (UK) LTD
REGISTERED NUMBER:11549135

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	999,369	450,884
Current assets			
Debtors: amounts falling due after more than one year	5	476,862	476,862
Debtors: amounts falling due within one year	5	3,604,175	2,569,778
Cash at bank and in hand		1,104,055	1,186,162
		<u>5,185,092</u>	<u>4,232,802</u>
Current liabilities			
Creditors: amounts falling due within one year	6	(1,955,041)	(947,416)
Net current assets		<u>3,230,051</u>	<u>3,285,386</u>
Total assets less current liabilities		<u>4,229,420</u>	<u>3,736,270</u>

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Provisions for liabilities

Deferred tax	8	<u>(54,180)</u>	-
		(54,180)	-
Net assets		<u>4,158,472</u>	<u>3,608,221</u>
Capital and reserves			
Called up share capital	9	4,000,500	4,000,500
Profit and loss account		157,972	(392,279)
		<u>4,158,472</u>	<u>3,608,221</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 July 2021.

T Paillardon
Director

G Dunne
Director

E Steiger
Director

The notes on pages 3 to 9 form part of these financial statements.

KRF SERVICES (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

KRF Services (UK) Limited is a private limited liability company registered in England and Wales. Its registered office address is at 3rd Floor, 20-22 Berkeley Square, London, W1J 6EQ and its business address is at 3rd Floor, 24 Savile Row, London, W1S 2ES. The principal activity of the company during the year was that of property management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is measured at the fair value of amounts receivable in respect of services provided in the period, net of trade discounts and excluding value added tax.

Revenue from property management is recognised in the period the service is provided. Revenues from the management of construction works are calculated by reference to the stage of completion of the contract at the end of the reporting period.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An

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Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	Over the remaining life of the lease
Plant and machinery	-	Over the remaining life of the lease
Fixtures and fittings	-	10 to 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Pensions

The company contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

2.6 Basic financial instruments

The company only enters into transactions that result in basic financial instruments such as trade and other debtors, trade and other creditors, cash at bank and in hand and loans to related parties.

Trade debtors, other debtors and loans to related parties are recognised initially at the transaction price less attributable transaction costs. Trade creditors and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequently they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade and other debtors, and loans to related parties.

Cash at bank and in hand comprise cash balances and call deposits.

2.7 Current and deferred taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

1) The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

2) Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Foreign currency translation

The company's functional and presentational currency is £ sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.9 Government grants

Grants are accounted under the accruals model. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

3. Employees

The average monthly number of employees, including directors, during the year was 29 (2019 -20).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Tangible fixed assets

	Short-term leasehold property	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	240,617	114,190	96,077	450,884
Additions	160,189	249,224	222,398	631,811
At 31 December 2020	<u>400,806</u>	<u>363,414</u>	<u>318,475</u>	<u>1,082,695</u>
Depreciation				
Charge for the year on owned assets	29,374	26,427	27,525	83,326
At 31 December 2020	<u>29,374</u>	<u>26,427</u>	<u>27,525</u>	<u>83,326</u>
Net book value				
At 31 December 2020	<u>371,432</u>	<u>336,987</u>	<u>290,950</u>	<u>999,369</u>
At 31 December 2019	<u>240,617</u>	<u>114,190</u>	<u>96,077</u>	<u>450,884</u>

5. Debtors

	2020	2019
	£	£
Due after more than one year		
Other debtors	<u>476,862</u>	<u>476,862</u>
Due within one year		
Trade debtors	-	176,632
Other debtors	1,256,426	610,477

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Deferred taxation

-	62,067
<u>3,604,175</u>	<u>2,569,778</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,331,046	709,256
Other creditors	55,417	52,591
Accruals and deferred income	568,578	185,569
	<u>1,955,041</u>	<u>947,416</u>

7. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Deferred income	<u>16,768</u>	<u>128,049</u>

8. Deferred taxation

	2020 £
At beginning of year	62,067
Charged to profit or loss	(116,247)
At end of year	<u>(54,180)</u>

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(119,308)	(39,951)
Tax losses carried forward	65,128	102,018
	<u>(54,180)</u>	<u>62,067</u>

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
4,000,500 Ordinary shares of £1 each	<u>4,000,500</u>	<u>4,000,500</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Capital commitments

At 31 December 2020 the Company had capital commitments as follows:

	2020	2019
	£	£
Contracted for but not provided in these financial statements	<u>-</u>	<u>380,264</u>

11. Pension commitments

The company contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £27,875 (2019 - £22,841). Contributions totalling £nil (2019 - £4,888) were payable to the fund at the reporting date and are included in creditors.

12. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020	2019
	£	£
Not later than 1 year	517,902	517,902
Later than 1 year and not later than 5 years	78,040	595,942
	<u>595,942</u>	<u>1,113,844</u>

The lease commitments are secured by way of a bank guarantee of £932,224 issued by the company's bank in favour of the landlord.

13. Related party transactions

At the reporting date the company was owed £288,050 (2019 - £579,256) by the ultimate controlling party. The balance was repaid on 08 January 2021.

At the reporting date the company was owed £nil (2019 - £1,237,627) by the ultimate parent undertaking, which is included in accrued income.

14. Parent undertaking

Until 30 December 2020, the parent undertaking was KRF Services (Luxembourg) SAS, a company registered in Luxembourg. Following a group restructuring, after 30 December 2020 the parent undertaking was the KR Family Office Trust.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.
The audit report was signed on 06 July 2021 by Martyn Atkinson FCA (Senior Statutory Auditor) on behalf of Sopher + Co LLP.

