

CHARITY NO: 1061589

M Z & K Z SHAH FOUNDATION
TRUSTEES' ANNUAL REPORT AND ACCOUNTS
for the
YEAR ENDED 31ST DECEMBER 2023

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

GOVERNING DOCUMENT	Deed of Trust
CHARITY NUMBER	1061589
TRUSTEES	Mr Mukesh Shah MBE (Chairman) Mr Kiran Shah Mr Anup Shah
PRINCIPAL OFFICE	TORWOOD 8 Beech Hill Avenue Hadley Wood Barnet Herts EN4 0LW
INDEPENDENT EXAMINER	Rajan Shah Raj Shah & Co Chartered Accountants 46 Heddon Court Avenue Cockfosters Barnet Herts EN4 9NG
BANKERS	Barclays Bank plc 5/6 High Street Hitchin Herts SG5 1BJ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31st December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16th July 2014.

STRUCTURE, GOVERNANCE & MANAGEMENT

M Z & K Z Shah Foundation is constituted by Deed of Trust and is a registered charity number 1061589. The Deed of Trust was amended by a Deed of variation dated 10th March 1997 and 16th May 2016.

New trustees are appointed by a resolution of the trustees passed at a special meeting of the trustees. The trustees can serve for an indefinite period as long as a minimum of three trustees remain in office at any time.

The administration of the Charity is carried out from the home of Mr Mukesh Shah, one of the trustees, at no charge.

The trustees annually review the major risks to which the Foundation is exposed, in particular those related to the operations and finances of the Foundation especially in connection with maintaining free reserves. The trustees are satisfied that adequate procedures are in place to mitigate any risks in the event of any adverse conditions.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Foundation has five principal objects, namely:

1. The provision of relief to the poor, the handicapped, the disabled, the sick and the aged;
2. The advancement of education;
3. The advancement of the Jain Religion;
4. The provision of land and buildings including educational and recreational facilities for public use.
5. To provide relief for victims of disaster.

The areas of benefit are any part of the world.

The trust deed gives the trustees the power to apply the funds in such a manner as they think fit to or for the benefit of any of the charitable objects listed above. The trustees currently have a policy of supporting activities targeted towards the provision of relief to the poor, the handicapped, the disabled, the sick and the aged as well as the advancement of education and more recently to the provision of relief to victims of disaster.

ACHIEVEMENTS AND PERFORMANCE

The level of donations increased this year and the total collected including Gift aid income tax relief was £256,009.

Charitable contributions totalled in excess of £138,050. Donations were made towards the following causes:

- a A contribution of £21,908 to the Highland Primary School refurbishment project in the town of Kericho, Kenya.
- b A donation of £62,050 to the Hindu Religious and Relief Centre for school infrastructure development projects (provision of kitchens and toilet blocks) in several schools in the Machakos region. .

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE - continued

- c** Contribution totalling £6,250 towards borehole drilling projects for the provision of clean drinking water project for a rescue home in Kenya
- d** Contribution totalling £25,140 to the Jain Social Group towards borehole drilling projects for the provision of clean drinking water to four primary schools in the Machakos region of Kenya.
- e** Donation of £11,070 to a Kenyan based charity (Team Pankaj Foundation) towards the sponsorship of 1,000 relief food hampers.
- f** A donation of £1,106 was made to a UK based charity (Help Change Lives) towards a Kenyan Secondary School Fees Appeal.
- g** A donation of £1,000 to the Mount Grace School breakfast appeal.
- h** Various small donations - £100 to a UK charity for medical aid in Kenya and a further £100 to a UK charity in support of ovarian cancer.
- i** Payment totalling £2,325 to the Arambha Foundation, Nepal to support better education projects.
- j** A donation of £1,001 to the Oshwal Association of the UK in support of Jain Religious prayers in memory of loved ones who had passed away.
- k** A donation of £6,000 to Khalsa Aid, a UK charity supporting victims of disaster and the poor.

PLANS FOR THE FUTURE

The Trustees are committed to the support of all of the projects noted above and other worthwhile causes with help of their family and supporters in Kenya, India and other parts of the world.

The Trustees efforts since its inception have been directed more towards the relief of victims of disaster, the provision of education facilities for the needy and poor as well as providing for the old, sick and disabled. The trustees consider that their own religious ethos enables them to provide an essential and valued public benefit to people in need regardless of their religion or belief.

As previously mentioned, there are several Institutions in the UK, who with their worldwide affiliations are more suited to enhancing the promotion of Jainism. The Trustees have carefully considered this aspect of its objects clause and feel that their focus towards helping the poor, needy and sick derives greater public benefit. The Foundation trustees will write to the Charity Commission to have this objects clause removed.

FINANCIAL REVIEW & RESERVES POLICY

Unspent income reserves at the balance sheet date amounted to £391,402 (31st December 2022: £251,363).

The trustees are well aware of the need to maintain reserves at a reasonable level and feel that this will be achieved from the surplus arising from the rental income being generated from the charity's investment asset and from sizeable donations which will be made by two of the trustees and their immediate families whenever required to enable the Charity to meet its stated objectives.

Signed on behalf of the Board of Trustees

Mukesh Shah (Chairman)
Date: 15th November 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF M Z & K Z SHAH FOUNDATION

I report on the financial statements of M Z & K Z Shah Foundation for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charity's Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters that I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity, for my work, for this report or for the opinions I have formed.

Responsibilities and basis of report

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

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the gross income of the charity exceeds £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Raj Shah & Co, Barnet, Herts EN4 9NG
Date: 15th November 2024

Rajan Shah
Chartered Accountant

STATEMENT OF FINANCIAL ACTIVITIES
(including) INCOME AND EXPENDITURE ACCOUNT

		Year ended 31st December 2023			Year ended 31st Dec 2022
	Notes	£ Expendable Endowment Funds	£ Unrestricted Funds	£ Total Funds	£ Total Funds
INCOMING RESOURCES	1c				
Voluntary income					
Donations including those on gift aid		-	211,813	211,813	80,350
Income tax recovered on gift aid donations		-	44,196	44,196	25,015
Investment income					
Rental income - excluding VAT		18,950	-	18,950	13,714
Interest		-	3,192	3,192	289
TOTAL INCOMING RESOURCES		18,950	259,201	278,151	119,368
RESOURCES EXPENDED	1d				
Charitable expenditure		-	138,050	138,050	121,251
Governance costs	1e & 5	-	62	62	1,565
TOTAL RESOURCES EXPENDED		-	138,112	138,112	122,816
NET INCOMING RESOURCES		18,950	121,089	140,039	(3,448)
OTHER RECOGNISED GAINS AND LOSSES					
Gain / (loss) on investment unrealised		-	-	-	-
NET MOVEMENT IN FUNDS		18,950	121,089	140,039	(3,448)
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD					
Transfers between funds		(18,950)	18,950	-	-
TOTAL FUNDS CARRIED FORWARD		-	550,455	550,455	410,416

BALANCE SHEET AS AT 31ST DECEMBER 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Investment property	1f & 3	<u>160,000</u>	<u>160,000</u>
CURRENTS ASSETS			
Cash at bank		391,402	251,363
		<u>391,402</u>	<u>251,363</u>
CREDITORS - Amounts falling due within one year			
Accruals		(947)	(947)
		<u>(947)</u>	<u>(947)</u>
NET CURRENT ASSETS		<u>390,455</u>	<u>250,416</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		550,455	410,416
NET ASSETS	4	<u><u>550,455</u></u>	<u><u>410,416</u></u>
Represented by:			
FUNDS OF THE CHARITY			
Expendable endowment funds	1b & 4a	159,053	159,053
Unrestricted income funds	1b & 4a	391,402	251,363
TOTAL FUNDS		<u><u>550,455</u></u>	<u><u>410,416</u></u>

Approved by the Board of trustees on 15th November 2024 and signed on its behalf by:

Mukesh Shah (Chairman)

NOTES TO THE ACCOUNTS**FOR THE YEAR ENDED 31ST DECEMBER 2023****1 ACCOUNTING POLICIES**

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

a Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention with the exception of investment property which is included at market valuation. The financial statements have been prepared in accordance with Statement of Recommended Practice - Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

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

b Fund accounting

Unrestricted funds are available to spend on activities that further any of the activities of the charitable Trust

The expendable endowment was created when the trust acquired the investment property. All of the excess of the realised income over expenditure on the endowment is always transferred to unrestricted funds.

c Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty.

Tax recovered on gift aid donations is recognised when a claim is made and received.

Investment income and interest are generally recognised when received.

d Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

All expenditure is accounted for on an accruals basis.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

e Governance costs

Governance costs comprise all costs involving the public accountability of the charity and compliance with regulation and good practice. These include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

f Investment property

Investment property is accounted for as follows -

Investment property is initially recognised at cost which includes purchase cost and any directly attributed expenditure.

Investment property whose fair value can be measured reliably are measured at fair value.

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on the investment are calculated as the difference between sales proceeds and its opening carrying value or its purchase price if acquired subsequent to the first day of the financial period.

2 TRUSTEES AND EMPLOYEES

2023	2022
Number	Number

These comprise:

Trustees	3	3
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The three trustees are all involved in the management and administration of the charitable company. No salaries or expenses were paid during the year (2019: £Nil)

3 INVESTMENT PROPERTY

2023	2022
£	£

Market value brought forward	160,000	160,000
Net Surplus on revaluation	-	-
Market value carried forward	<u>160,000</u>	<u>160,000</u>
Historical cost at balance sheet date	<u>104,084</u>	<u>104,084</u>

In the opinion of the trustees the market value of the investment property at the balance sheet date remains at £160k.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

4 ANALYSIS OF NET ASSETS		2023	2023	2022	2022
		£	£	£	£
a)	The net assets comprise the following funds:	EXPENDABLE ENDOWMENT	UNRESTRICTED FUNDS	EXPENDABLE ENDOWMENT	UNRESTRICTED FUNDS
	Fixed asset investment	160,000	-	160,000	-
	Accruals	(947)	-	(947)	-
	Cash at bank	-	391,402	-	251,363
		<u>159,053</u>	<u>391,402</u>	<u>159,053</u>	<u>251,363</u>
b)	Unrealised gains included in net assets amount to £55,916 (2021: £55,916). These relate to the fixed asset investment property only (see note 4c below).				
c)	Reconciliation of movements in unrealised gains on fixed asset investments			2023	2022
				£	£
	Unrealised gains as at 1st January 2023			55,916	55,916
	Net gain on revaluation at the year end			-	-
	Unrealised gains as at 31st December 2023			<u>55,916</u>	<u>55,916</u>
5	EXPENDITURE			2023	2022
				£	£
	Governance costs comprise:				
	Bank charges			62	65
	Legal fees on lease renewal			-	1,500
				<u>62</u>	<u>1,565</u>