

**THE BISWAS FOUNDATION**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**Year ended: 30 September 2020**

**Charity no: 1127095**  
**Company no: 06687075**

**DIRECTORS' REPORT**  
**30 September 2020**

The directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 30 September 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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).

**OUR PURPOSES AND ACTIVITIES**

**Purposes and Aims**

The purposes of the charity are:

1. The provision of education (including social and physical training) for children, young persons and adults resident anywhere in the world, but in particular, in India, who are in need by reason of their poverty, destitution or distress.
2. To relieve persons who are in conditions of need, hardship or distress anywhere in the world, but in particular, in India.
3. To relieve persons who are sick, convalescent, disabled, handicapped or infirm anywhere in the world, but in particular, in India.
4. To promote research into the causes and treatment of diseases and ill health on terms that the useful results of such research are published.
5. To promote for the public benefit the study of and research into the environment, housing, science, literature, culture and music provided that the useful results of such research are published.
6. To provide accommodation and social housing at an economic cost to those in need of relief by reason of youth, age, ill health, disability, financial hardship and other disadvantages anywhere in the world, including England.

The company currently owns 44 properties. Income generated from the letting of these properties, after expenditure, is used to make donations to our sister Charity, The Biswas Educational Foundation, in South Calcutta, as well as making donations to deserving charities in this country as well as abroad.

**How our Activities deliver Public Benefit**

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our directors' meetings.

The prime purpose of the charity is an effort to alleviate the problems faced by the most deprived children in Kolkata, India.

To achieve this aim the charitable company makes donations to the Biswas Educational Foundation in India to fund the running of an orphanage and a school in Kolkata for destitute orphans, abandoned children, children of poor widowed mothers and children of sex workers, many of whom are street children.

**DIRECTORS' REPORT**  
**30 September 2020**

**ACHIEVEMENTS AND PERFORMANCE.**

On 30 September 2020 The Biswas Foundation's portfolio comprised 44 properties having 340 bed spaces.

The COVID-19 pandemic has affected the charity with a drop in the rate of room occupancy but overall performance has not been greatly hindered. During the year under review the charity operated at around 70% occupancy level with rental income was £1,117,267.

Opportunity was taken in the year renovate vacant properties to a very good standard. Modernization entailed upgrading kitchens, bath / shower rooms, repair and replacement of furniture, upgrading of fire / intruder alarm systems, removal of magnolia on wood chip wallpapers, the application of brilliant white vinyl silk emulsion on freshly plastered plain wall surfaces, painting woodwork and doors grey. All fitted furniture in bedrooms needed to be painted white and the furniture handles replaced with modern attractive handles.

All curtains were replaced with ivory / white vertical blinds and existing carpets replaced with quality twist pile grey carpets. to give the space a fresh modern look. This is the kind of ambience demanded by our customers who are young people age ranging 18 years to 30 years.

As reported last year Fordham Homes has managed a number of our properties. Fordham Homes contract to pay us an agreed amount and in return they let the property and cover any costs. This seems to be working well and so we extended the arrangement to a further six properties with a total of 35 bed spaces. We intend to extend this arrangement to further properties.

To achieve its charitable aim The Biswas Foundation makes donations to its sister charity The Biswas Educational Foundation (TBEF) based in India. Donations are made from time to time as a need arises at the orphanage and also to fund agreed works to complete the new school building.

During this year, the Biswas Foundation has made donations totaling £235,208 of which £219,078 was donated to our sister Charity, The Biswas Educational Foundation with the balance made to support a number of other organizations engaged in medical and health care research.

**The Biswas Educational Foundation**

Turning now to the main beneficiary of our donations, our sister charity, The Biswas Educational Foundation (TBEF). TBEF opened the orphanage, Ananda Bhaban, back in 2012, when the children were of 6+ years of age. These children now are between 14-15 years of age and boys and girls are now housed in two separate buildings.

The first batch of 14 orphan children are studying in class 8 at a reputable government school and another 25 children are studying in junior kindergarten to class 5 in our own English medium school, The South Calcutta Public School (SCPS).

The children of the orphanage take part in a number of extracurricular activities one of which was participation in a national level science workshop known as "Einstein Hunt" in which they came 1<sup>st</sup> out of 400 other competitors.

**South Calcutta Public School**

The TBEF delivers affordable quality education to the economical weaker section of the society. To achieve this a school, the South Calcutta Public School (SCPS), was started in 2016 in one of four orphanage premises. A new 5 story building is under construction to house the school.

**DIRECTORS' REPORT**  
**30 September 2020**

In addition to educating the orphan children of Ananda Bhaban, children of local agriculture farmers and daily wage earners are also educated at an affordable cost. The school charges minimal fees in comparison with other English medium schools so that it may meet establishment expenses including teachers' salaries. Any surpluses are used to meet the expenses of the orphans. At present there are 260 children enrolled in the school, including 25 children from the orphanage.

In March 2020 India entered full lockdown due to the pandemic and so online classes were offered. Initially, students had problems in getting connected online but the teachers helped the pupils to get connected so that they could receive online lessons. Videos of the daily lessons were uploaded.

This pandemic situation affected admissions but discounts to fees were offered and this has helped enrolment.

**Free Medical Centre**

Since 2010 TBEF has been providing free medical check-ups and supplying medicine free of charge to needy people living in villages near to TBEF. Most beneficiaries are older people and children; around 120 people benefit from this service every month.

**Disaster Management**

During June 2020 TBEF distributed 400 packets of the dry fruit to the "Amphan" cyclone affected people of Basanti, some 70kms from Kolkata, and Jhar Koli, some 90 kms from Kolkata, in the Sundarban coastal area.

**FINANCIAL REVIEW**

During the accounting year ending 30 September 2020 rental income generated by the properties of The Biswas Foundation portfolio was £1,117,267. We estimate that we were operating at a 70% occupancy level.

During the year under review donations in kind of £9,000 were received from a director, Dr N Biswas.

Following the sale of two properties in the year £761,299 was invested in equities in the London and the New York stock exchanges.

The net surplus for the year was £1,317,161 of which £1,047,000 related to gains from fair value adjustments to the charity's freehold investment properties and £38,444 from fair value adjustments to the company's stock market investments.

**Donations made in the Year**

During the year The Biswas Foundation made donations totaling £235,208 as detailed under our "Achievements And Performance" of which £219,078 was to our sister Charity, The Biswas Educational Foundation In India.

**DIRECTORS' REPORT**  
**30 September 2020**

**Principal Funding Sources**

Rental income from the company's investment properties is the principal source of funding.

**Investment Powers and Policy**

Under the Memorandum and Articles of Association, the charitable company has the power to make any investment which the trustees see fit.

**Reserves Policy and going concern**

The directors have reviewed the charitable company's needs for reserves in line with the guidance issued by the Charity Commission. Aside from retaining a prudent amount in cash reserves each year, approximating 3 to 6 months running costs, the intention is that most of the charitable company's cash funds are donated to the Indian Charity, The Biswas Educational Foundation, and also to other deserving causes in the UK and throughout the world, particularly in the field of medical research and in the field of education through scholarships, bursaries etc.

At 30 September 2020 the company held cash funds of £303,625.

The Directors consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The Covid-19 pandemic has had some effect on the income generated from The Foundation's property portfolio but not to a significant extent.

**PLANS FOR FUTURE PERIODS**

We plan to renovate our properties on an ongoing basis to ensure a good rental income is received.

As reported under "Achievements And Performance" the contracts with Fordham Homes to manage a number of properties proved successful and we intend to extend this arrangement to further properties.

Recently three properties were sold collectively generating a figure of £1.3 million. There are no plans for any further sales of properties.

We currently have a stocks and shares portfolio of approximately £2,444,000.

To ensure the continued success of The Biswas Foundation the two London based directors, Mr P Biswas and Mrs A Biswas, have indicated their intention to relocate to Leeds should anything happen to the Leeds based Director, Dr N Biswas.

**THE BISWAS FOUNDATION**  
(A Company Limited by Guarantee)

5

**DIRECTORS' REPORT**  
30 September 2020

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Charity name:	The Biswas Foundation
Charity Registration Number:	1127095
Company Registration Number:	08687075
Registered Office and Operational address:	'Rathdowne' 20 Sandmoor Drive Leeds, West Yorkshire, LS17 7DG

**Directors**

The directors who have served during the year are:

Dr N Biswas  
Mr P Biswas  
Mrs A Biswas

**Company Secretary**

Mrs A Biswas

**Auditors**

O'Brien & Co, Chartered Accountants  
31A Finkle Street  
Selby  
YO8 4DT

**Bankers**

Lloyds Bank Plc  
PO Box 1000  
BX1 1LT

Clydesdale Bank  
30 Vincent Place  
Glasgow  
G1 2HL

**DIRECTORS' REPORT**  
**30 September 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The organisation is charitable company limited by guarantee, incorporated on 2 September 2008 and registered as a charity on 9 December 2008. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

**Recruitment and Appointment of Directors**

The Directors of the company are also charity trustees for the purposes of the charity law.

The charity was founded by Dr N. Biswas and he together with his brother and sister-in-law are the first directors of the charitable company.

New directors may be appointed by existing directors.

**Directors' Induction and Training**

All new directors receive a thorough induction by Dr N. Biswas into the core principles and ethos of the charitable company.

**Organisational Structure**

The company has 3 directors who interact regularly. One of the directors, Dr N. Biswas, is responsible for the day-to-day running of the charitable company.

**Related Parties**

A charity, 'The Biswas Educational Foundation', has been formed in Kolkata, India. The Biswas Foundation makes grants to the Indian charity to enable the provision of accommodation, food, clothing, education, health care and recreational facilities to deprived orphan children and children of single parent in Kolkata.

**Pay Policy for Senior Staff**

The directors consider the board of directors, who are the Trust's trustees, as the key management personnel of the charity in charge of directing and controlling, running and operating the Foundation on a day to day basis. All directors give of their time freely and no director received remuneration in the year. No staff are employed by the charity.

**Risk Management**

During the year the company has continued to identify and assess the major risks facing the business.

The Board of Directors regularly review the performance of the property portfolio to ensure occupancy rates meet the required targets. Any poorly producing properties are identified and disposed of.

The charity's investment portfolio in stocks and shares is regularly monitored.

**DIRECTORS' REPORT**  
30 September 2020

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors (who are directors for the purpose of Company Law and trustees for the purpose of Charity Law) are responsible for preparing the Directors' Annual Report (comprising the Strategic Report and Director's Report) and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements the directors 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

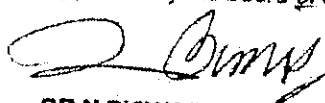
The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

- So far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

O'Brien & Co, Chartered Accountants, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the forthcoming Annual General Meeting.

Approved by the board of directors on 20 July 2021 and signed on its behalf by:



**DR N BISWAS**  
Director



**30 September 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISWAS FOUNDATION**

**Opinion**

We have audited the financial statements of The Biswas Foundation for the year ended 30 September 2020 which comprise the Statement of Financial Activities (including an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 30 September 2020 and of its income and expenditure 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors 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.

**30 September 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISWAS FOUNDATION (continued)**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption to prepare a strategic report.

**Responsibilities of the directors**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 directors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

**Our 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**30 September 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISWAS FOUNDATION (continued)**

**Use of our report**

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



Stephen O'Brien FCA  
Senior Statutory Auditor  
for and on behalf of O'Brien & Co  
Statutory Auditor  
Chartered Accountants  
31A Finkle Street  
SELBY YO8 4DT

20 July 2021

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Including Income and expenditure account) for the year ended 30 September 2020

	Note	2020 £	2019 £
<b>INCOME</b>			
Donations	3	9,000	8,410
Income from Charitable Activities			
Investment Income	4	1,117,267	1,124,951
<b>Total Income</b>		<u>1,126,267</u>	<u>1,133,361</u>
<b>EXPENDITURE</b>			
Expenditure on Charitable Activities	5	894,650	711,646
<b>Total Expenditure</b>		<u>894,650</u>	<u>711,646</u>
Net Income		231,617	421,715
Value Adjustments on Freehold			
Investment Property and on Investments	8	<u>1,085,544</u>	<u>1,713,200</u>
Net Income and net movement			
in funds for the year	9	1,317,161	2,134,915
<b>Reconciliation of Funds</b>			
<b>Total Funds brought forward</b>		15,461,797	13,326,882
<b>Total Funds carried forward</b>	18	<u>16,778,958</u>	<u>15,461,797</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 14 to 19 form part of these financial statements.

**THE BISWAS FOUNDATION**  
(A Company Limited by Guarantee)


12

**BALANCE SHEET**  
**30 September 2020**

		2020		2019	
	note	£	£	£	£
<b>FIXED ASSETS</b>					
Freehold Investment Property	13		19,380,000		18,333,000
Investments	14		<u>799,843</u>		<u>0</u>
Total Fixed Assets			<u>20,179,843</u>		<u>18,333,000</u>
<b>CURRENT ASSETS</b>					
Debtors	15	56,416		73,849	
Cash at Bank & In Hand		<u>303,625</u>		<u>1,027,144</u>	
		<u>360,041</u>		<u>1,100,993</u>	
<b>CREDITORS: amounts falling due within one year</b>	16	<u>228,008</u>		<u>215,920</u>	
<b>NET CURRENT ASSETS</b>			<u>132,033</u>		<u>885,073</u>
			<u>20,311,876</u>		<u>19,218,073</u>
<b>CREDITORS: amounts falling due after more than one year</b>	17		3,532,918		3,756,276
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>16,778,958</u>		<u>15,461,797</u>
<b>FUNDS</b>					
Unrestricted Funds	18		<u>16,778,958</u>		<u>15,461,797</u>

The accounts are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors on 20 July 2021 and signed on its behalf by:

  
**DR N BISWAS**  
Director

Company no: 06687075

**CASH FLOW STATEMENT**  
For the year ended 30 September 2020

		2020		2019	
	note	£	£	£	£
Cash generated by operating activities	19		220,893		384,426
Cash flows from investing activities					
Receipts from sale of freehold investment property		0		862,497	
Purchase of investments		<u>(761,299)</u>		<u>0</u>	
Cash (outflow) / inflow from investing activities			(761,299)		862,497
Cash flows from financing activities					
Repayment of borrowings		<u>(183,113)</u>		<u>(175,263)</u>	
Cash used in financing activities			<u>(183,113)</u>		<u>(175,263)</u>
(Decrease) / Increase in cash and cash equivalents in the year			(723,519)		871,660
Cash and cash equivalents at the beginning of the year			1,027,144		155,484
Total cash and cash equivalents at the end of the year			<u>303,625</u>		<u>1,027,144</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**30 September 2020**

**1 ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

**Basis of preparation**

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Biswas Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going Concern**

The directors consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**Income Recognition Policies**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

**Donated Services and Facilities**

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**Fund Accounting**

Funds held by the charity are unrestricted general funds. These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**30 September 2020**

**ACCOUNTING POLICIES (continued)**

**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.

Expenditure on charitable activities includes the costs of providing staff who carry out the work of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Allocation of Support Costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's activities. The bases on which support costs have been allocated are set out in note 6.

**Freehold Investment Property**

The investment properties held as fixed assets are valued at their fair value at the balance sheet date and any unrealised gains or losses are recognised in the Income and Expenditure Account.

**Investments**

Investments are shown at fair value at the balance sheet date. Realised and unrealised gains on investments are recognised in the Income and Expenditure Account.

**Debtors**

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

**Cash at Bank and In Hand**

Cash at bank and cash in hand is in respect of bank balances.

**Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments.

**Significant Judgements and Estimates**

In applying its accounting policies the company did not have to make any significant judgements or estimates.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
30 September 2020

**2 LEGAL STATUS OF THE FOUNDATION**

The Foundation is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

<b>3 DONATIONS RECEIVED</b>	<b>2020 £</b>	<b>2019 £</b>
Dr N Biswas: gifts in kind	<u>9,000</u>	<u>8,410</u>

Dr N Biswas personally incurred expenditure of £9,000 on behalf of the charity.

<b>4 INVESTMENT INCOME</b>	<b>2020 £</b>	<b>2019 £</b>
Rental Income	<u>1,117,267</u>	<u>1,124,951</u>

**5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Investment Properties Costs 2020 £</b>	<b>Donations Made 2020 £</b>	<b>Total 2020 £</b>
Donations Made (see note 7)	0	235,208	235,208
Agents' Commission	88,607	0	88,607
Property Maintenance	197,369	0	197,369
Property Cleaning & Gardening	25,630	0	25,630
Insurance	16,095	0	16,095
Licences	1,000	0	1,000
Council Tax & Water	18,051	0	18,051
Light & Heat	50,299	0	50,299
Motor Expenses	4,500	0	4,500
Advertising	97	0	97
Telephone, Print, Postage & Stationery	14,054	0	14,054
Loan Interest	188,886	0	188,886
Bank Charges	25	0	25
Deposit Fees - "My Deposits"	2,500	0	2,500
Miscellaneous	1,516	0	1,516
Legal & Professional	3,236	0	3,236
Governance Costs (see note 6)	6,000	0	6,000
Support Costs (see note 6)	41,577	0	41,577
<b>Total Expenditure</b>	<b><u>659,442</u></b>	<b><u>235,208</u></b>	<b><u>894,650</u></b>

Costs are directly allocated to activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
30 September 2020

6 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The table below sets out the basis for apportionment and the analysis of support and governance costs.

	Governance Function £	General Support £	Total £	Basis of Apportionment
Audit	6,000	0	6,000	<i>actual costs</i>
Secretarial	0	41,577	41,577	<i>actual costs</i>
	<u>6,000</u>	<u>41,577</u>	<u>47,577</u>	

7 ANALYSIS OF DONATIONS MADE

	2020 £
The Biswas Educational Foundation	219,078
Barnados	130
St Gemma's Hospice	6,000
St James Liver Research	5,000
University of Western Australia	5,000
	<u>235,208</u>

8 VALUE ADJUSTMENTS ON REVALUATION

	2020 £	2019 £
Value Adjustments on Freehold Investment Property (note 13)	1,047,000	1,713,200
Value Adjustments on Investments (note 14)	38,544	0
	<u>1,085,544</u>	<u>1,713,200</u>

9 NET INCOME FOR THE YEAR

	2020 £	2019 £
is stated after charging / (crediting):		
Audit	6,000	6,000
Deficit on disposal of investment properties	0	2,503
Value Adjustments on revaluation	<u>(1,085,544)</u>	<u>(1,713,200)</u>

10 STAFF COSTS & NUMBERS

No staff were employed during the year (2019: nil)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
30 September 2020

11 TRUSTEE REMUNERATION & RELATED PARTY TRANSACTIONS

The key management personnel comprise the trustees

No remuneration was paid to any director (2019: £nil).

No directors received any expenses (In 2019 travel expenses of £118 were paid to one director).

Dr N Biswas personally incurred expenditure of £9,000 on behalf of the charity.

12 TAXATION

As a charity The Biswas Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

13	FREEHOLD INVESTMENT PROPERTY	2020 £	2019 £
	Fair Value at 1 October 2019	18,333,000	17,284,800
	Improvements at cost	0	0
	Less disposals at carrying value	0	(665,000)
	Add net gains from fair value adjustments	1,047,000	1,713,200
	Fair Value at 30 September 2020	<u>19,380,000</u>	<u>18,333,000</u>

The company's freehold properties are subject to a mortgage charge.

The freehold properties were revalued by the directors on 30 September 2020 on the basis of existing use. The freehold properties were last valued by external valuers in 2014.

14	INVESTMENTS	2020 £	2019 £
	Investments at cost	761,299	0
	Add net gains from fair value adjustments	38,544	0
	Fair Value at 30 September 2020	<u>799,843</u>	<u>0</u>

The Investments are in stocks and shares in the UK and US stock markets.

15	DEBTORS	2020 £	2019 £
	Trade Debtors	38,501	51,849
	Other Debtors	17,915	22,000
		<u>56,416</u>	<u>73,849</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
30 September 2020

16	<b>CREDITORS: amounts falling due within one year:</b>	2020 £	2019 £
	Trade Creditors	38,719	64,876
	Bank Loans	191,289	151,044
		<u>228,008</u>	<u>215,920</u>

The bank loans are secured by a charge over the company's fixed asset investments.

The company has taken out 4 bank loans. At 30 September 2020 the loan details were:

£2,784,750 with interest at a fixed rate of 5.52%  
£355,389 with a variable interest rate, currently 3.25%  
£189,323 with a variable interest rate, currently 3.25%  
£394,766 with a variable interest rate, currently 3.25%

17	<b>CREDITORS: amounts falling after more than one year:</b>	2020 £	2019 £
	Bank Loans (for interest terms see note 16)	<u>3,532,918</u>	<u>3,756,276</u>

The bank loans are secured by a charge over the company's fixed asset investments.

Analysis of bank loan repayments

	£	£
Instalments which fall due for payment after more than 5 years	<u>2,674,982</u>	<u>3,212,576</u>

18	<b>UNRESTRICTED FUNDS</b>	£
	At 1 October 2019	15,461,787
	Incoming Resources	2,211,811
	Resources Expended	(894,650)
	At 30 September 2020	<u>16,778,958</u>

19 **RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities	2020 £	2019 £
Net movement in funds	1,317,161	2,134,915
Deficit on disposal of freehold investment properties	0	2,503
Value Adjustments	(1,085,544)	(1,713,200)
Decrease / (Increase) in debtors	17,433	(73,849)
(Decrease) / Increase in creditors	(28,157)	34,057
Net cash used in operating activities	<u>220,893</u>	<u>384,426</u>

DETAILED INCOME & EXPENDITURE ACCOUNT  
30 September 2020

	2020		2019	
INCOME.	£	£	£	£
Donations		9,000		8,410
Rents		<u>1,117,267</u>		<u>1,124,951</u>
Total Income		1,126,267		1,133,361
EXPENDITURE				
Donations Made	235,208		11,130	
Agents' Commission	88,807		94,920	
Property Maintenance	197,389		157,927	
Property Cleaning & Gardening	25,630		34,483	
Insurance	18,095		13,228	
Licences	1,000		17,025	
Council Tax & Water	18,051		25,453	
Light & Heat	50,299		74,937	
Motor Expenses	4,500		4,000	
Advertising	97		659	
Telephone, Print, Postage & Stationery	14,054		22,096	
Loan Interest	188,886		204,393	
Bank Charges	25		30	
Deposit Fees - "My Deposits"	2,500		2,461	
Secretarial	41,577		32,411	
Miscellaneous	1,516		3,567	
Legal & Professional	3,238		4,429	
Audit	6,000		6,000	
Deficit/(Surplus) on disposal of investment properties	<u>0</u>		<u>2,503</u>	
Total Expenditure		894,650		711,646
		<u>231,617</u>		<u>421,715</u>
Value Adjustments on Freehold Investment Property and on Investments		1,085,544		1,713,200
Net surplus for the year		<u>1,317,161</u>		<u>2,134,915</u>