NILKANTH ESTATES

England & Wales · Charity number 1148431

Details

Status	Registered
Legal form	Charitable company
Company number	08154119
Registered	2012-08-03
Register	View on the Charity Commission register

Contact

Address	Baps Shri Swaminarayan Mandir 1 Pramukh Swami Road London NW10 8HW
Phone	02089652651
Email	info@nilkanthestates.co.uk

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Activities

Objects: 2.THE OBJECTS OF THE CHARITY ARE TO ADVANCE THE AKSHAR PURUSHOTTAM SWAMINARAYAN DENOMINATION OF THE HINDU RELIGION BASED UPON THE TEACHINGS AND PRINCIPLES OF BHAGWAN SWAMINARAYAN;AND TO FOSTER THE PRACTICE AND WORSHIP OF THE AKSHAR PURUSHOTTAM SWAMINARAYAN DENOMINATION OF THE HINDU RELIGION AS REVEALED BY BHAGWAN SWAMINARAYAN.THESE VEDIC TEACHINGS AND PRINCIPLES,BASED ON THE BRAHMA SUTRAS,UPANISHADS AND BHAGAVAD GITA,AS WELL AS OTHER FOUNDATIONAL HINDU SCRIPTURES, ARE COLLECTIVELY KNOWN AS SWAMINARAYAN DARSHAN OR AKSHAR PURUSHOTTAM UPASANA THAT IS,WORSHIPPING BHAGWAN SWAMINARAYAN AS PURNA PURUSHOTTAM NARAYAN(THE SUPREME AND ONE GOD)BY PURIFYING ONESELF AND BECOMING ONE WITH GUNATITANAND SWAMI AS AKSHARBRAHMAN(GOD'S ETERNAL ABODE),ALSO KNOWN AS BRAHMARUP,THROUGH THE ASSOCIATION OF THE CURRENT BRAHMASWARUP GURU. AKSHAR PURUSHOTTAM UPASANA IS FURTHER BASED ON THE FOUR PRINCIPLES OF EKANTIK DHARMA(NAMELY DHARMA,GNAN,VAIRAGYA AND BHAKTI)AND ITS TEACHINGS ARE PROPAGATED AND ENUNCIATED BY THE SPIRITUAL SUCCESSORS OF BHAGWAN SWAMINARAYAN,NAMELY AKSHARBRAHMAN GUNATITANAND SWAMI,SHRI PRAGJI BHAKTA(ALSO KNOWN AS BHAGATJI MAHARAJ)SHASTRI YAGNAPURUSHDAS(ALSO KNOWN AS SHASTRIJI MAHARAJ),SWAMI GNANJIVANDAS(ALSO KNOWN AS YOGIJI MAHARAJ),SHASTRI NARAYANSWARUPDAS(PRESENT SPIRITUAL HEAD,ALSO KNOWN AS PRAMUKH SWAMI MAHARAJ)AND HIS DIRECT SUCCESSOR AS SELECTED BY SHASTRI NARAYANSWARUPDAS AND THOSE DIRECT SUCCESSORS SELECTED IN THIS MANNER THEREAFTER.THE TRUSTEES SHALL PROCURE THAT THE CHARITY FOLLOWS THE TEACHINGS AND PRINCIPLES OF THE SPIRITUAL LEADER OF BOCHASANWASI SHRI AKSHAR PURUSHOTTAM SWAMINARAYAN SANSTHA OF BOCHASAN,DISTRICT KARIA,GUJARAT STATE,INDIA,AND ITS SUCCESSOR IN INTEREST,REGISTERED IN INDIA UNDER THE BOMBAY PUBLIC TRUSTS ACT 1950 AND PUBLIC TRUST REGISTRATION NO.A/2500/AMDAVAD(HEREINAFTER'BAPS INDIA').IN ACCORDANCE WITH THE PRINCIPLES OUTLINED ABOVE,THE CHARITY MAY:(1)PROVIDE RELIEF TO PERSONS WHETHER OR NOT THEY ARE RESIDENT IN THE UNITED KINGDOM WHO ARE IN CONDITIONS OF NEED,HARDSHIP OR DISTRESS AS A RESULT OF LOCAL,NATIONAL OR INTERNATIONAL DISASTER OR BY REASON OF THEIR SOCIAL AND ECONOMIC CIRCUMSTANCES;(2)PRESERVE AND SAFEGUARD THE HEALTH OF ALL PERSONS AND IN PARTICULAR OF YOUNG PERSONS WHO ARE IN DANGER OF BECOMING ADDICTED TO OR DEPENDENT UPON ILLEGAL DRUGS OF ANY DESCRIPTION,ALCOHOL,SOLVENTS OR OTHER ADDICTIVE SUBSTANCES;(3)ADVANCE EDUCATION FOR THE PUBLIC BENEFIT;(4)PROMOTE COMMUNITY PARTICIPATION IN HEALTHY RECREATION SO AS TO DEVELOP PARTICIPANTS'PHYSICAL,MENTAL AND SPIRITUAL CAPACITIES; AND(5)FOR THOSE PURPOSES WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING,TO ALLOW OTHER CHARITIES HAVING SIMILAR OBJECTS TO OCCUPY ANY OF ITS PREMISES AT NIL OR NOMINAL RENT.

Activities: Rental income derived from investment properties.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups, The General Public/mankind

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Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£4,837,704	£4,151,522	£99,516,603	0
2023-12-31	£1,554,189	£1,520,722	£100,401,972	0
2022-12-31	£9,904,998	£1,582,423	£100,368,505	0
2021-12-31	£1,957,801	£1,251,340	£88,216,830	0
2020-12-31	£2,117,767	£1,234,487	£86,970,369	0

Trustees

Name	Role	Appointed
Ghanshyam Ramparia		2024-05-28
Girish Punambhai Patel		2020-12-01
Sanjay Jayendra Kara		2020-12-01

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NILKANTH ESTATES

England & Wales - Charity number 1148431

Accounts

REGISTERED COMPANY NUMBER: 08154119 (England and Wales)
REGISTERED CHARITY NUMBER: 1148431

Group Strategic Report, Report of the Trustees and Audited Consolidated Financial Statements

For the year ended 31st December 2024

for

NILKANTH ESTATES

Nilkanth Estates

Contents of the Consolidated Financial Statements
For the year ended 31st December 2024

	Pages
Report of the Trustees (including Group Strategic Report)	1
Report of the Independent Auditors	10
Consolidated and Charity Statement of Financial Activities	14
Consolidated and Charity Balance Sheets	15
Consolidated and Charity Cash Flow Statement	16
Notes to the Consolidated financial statements	17 – 29

Nilkanth Estates

Report of the Trustees (including Group Strategic Report)
For the year ended 31st December 2024

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, Strategic Report and the audited financial statements of Nilkanth Estates (the 'Charity' or 'Company') and the group for the year ended 31st December 2024.

Nilkanth Estates (company number 08154119, incorporated in England on 24 July 2012) and its wholly-controlled subsidiary, Brandon House Limited (company number 10612051, incorporated in England on 9 February 2017), are both charitable organisations established as companies limited by guarantee. The Charity is based in the UK and has its head office in Neasden, London.

OBJECTIVES AND ACTIVITIES

The group's purposes, as set out in the Objects clause contained in the Charity's and its subsidiary's Memorandum of Association are:

1. to advance the Akshar Purushottam Swaminarayan denomination of the Hindu religion based upon the teachings and principles of Bhagwan Swaminarayan; and to foster the practice and worship of the Akshar Purushottam Swaminarayan denomination of the Hindu religion as revealed by Bhagwan Swaminarayan;

2. preserve and safeguard the health of all persons and in particular of young persons who are in danger of becoming addicted to or dependent upon illegal drugs of any description, alcohol, solvents or other addictive substances; advance education for the public benefit;

3. promote community participation in healthy recreation so as to develop participants' physical, mental and spiritual capacities; and

4. for those purposes without prejudice to the generality of the foregoing, to allow other charities having similar objects to occupy any of its premises at nil or nominal rent.

Our aims fully reflect the purposes that the group was set up to further.

Ensuring our work delivers our aims
The trustees review the aims, objectives and activities of the Charity each year. This review looks at what the Charity has achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers
The Charity is run by its trustees and other volunteers who give their time freely in the day-to-day management of the Charity.

GROUP STRATEGIC REPORT

Achievement and performance

Nilkanth Estates own and manage a debt-free diverse property portfolio with a carrying value of £98.14 million, of which properties with a net book value of £51.1 million are used for charitable purposes specifically for use by Bochasanwasi Shri Akshar Purshottam Sanstha 'BAPS' in the advancement of our common objectives. Properties valued at £48.11 million are held for investment purposes. Our expenditure objective is two-fold:

- increase investment income by increasing our property portfolio in order to support the operating costs where required by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith;

- to fund the acquisition and development of properties for use by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith.

The properties held for investment purposes are predominantly residential properties and a property which was used as a private Hindu faith-based school has ceased its activities. This property therefore has now been reclassified from investment property to a freehold property. The Trustees are considering alternative use of this property.

The properties held as tangible fixed assets are those provided by the Charity to BAPS for use across the country as temples, assembly halls and ancillary purposes. In addition, there are a number of residential properties which are held to provide accommodation for full-time volunteers, priests and overseas visitors.

During the year the Charity reclassified one of its properties; one tangible fixed asset began being let to earn rental income. Upon the reclassification the Charity assessed and increased its fair valuation.

During the year the Charity also acquired additional investment properties in order to increase its investment portfolio and ultimately achieve the aims and objectives of the Charity. One of the properties which was under construction was granted to Brandon House Limited. On completion of the construction works this property is intended to have mixed usage with part of it for own purposes for furtherance of the Charity's objectives and remainder to be commercial purposes.

Charitable activities

During the year, the Group achieved its aims and objectives by providing properties with a carrying value of £51.1 million rent-free to BAPS and The Sarjudas Foundation (and its wholly-owned subsidiaries and group undertakings). Both these charities have the same aims and objectives as Nilkanth Estates.

The properties provided by the Group to BAPS include Mandirs situated in:

Neasden, London	Coventry	Chigwell, London	Havant
Leeds	Leicester	Loughborough	Luton
Manchester	Birmingham	Preston	Southend-On-Sea
South London	Wellingborough		

The activities undertaken at the above properties further the Charity's common aims and objectives for the public benefit and include a variety of weekly activities, spiritual forums for children and adults, courses in ethnic language, music, and dance, and events which cultivate personal talents and interpersonal skills and promote the strengthening of relationships within communities and families.

Financial review
The Group is funded by the following main activities:
(i) Rental income
(ii) Donations received
(iii) Treasury management.

The Group funds its expenditure from rental income derived from its investment property portfolio and has the freedom to spend both income and capital. The Group holds cash balances to manage fluctuations in cash flow.

In 2024, the Group received donations of £3.025m (2023: £Nil) from Sarjudas Foundation, a registered Charity with similar aims and objectives as the Charity and after net investment income of £1.459m (2023 - £1.544m), depreciation costs on its fixed asset properties and governance costs of £1.102m (2023 - £1.214m), and net gains/(losses) on the revaluation of fixed assets of £(1.571m) [2023 - £Nil], the Group's retained net income/(expenditure) for year was £(885,369) [2023 – £33,467] and accumulated reserves at the year-end were £99.517m (2023 - £100.401m).

During 2024, the Group spent a total of approximately £1.95m (2023 - £1.475m) on operating costs.

Fundraising activities
Neither the Group nor the Charity undertake any public fundraising activities.

Investment performance
In 2024, the Group's property investment portfolio valued at £31.94m (cost - £19.857m) generated a total return of c.5% on value which the trustees consider is reasonable for its property portfolio and broadly around market expectations.

Liability Insurance
The Group purchases trustee liability insurance on behalf of the trustees to protect them against claims that may arise from the performance of their charitable duties.

Grant making Policy
In respect to grant making, the Charity ensures the aims and principles in awarding grants are only to funds, projects and actives that are exclusively for furtherance of Charity's aims and objectives. Due diligence is applied to any grants made to ensure they contribute towards achievement of advancement of charitable purposes as determined by the Trustees.

Reserve Policy
The Trustees review reserves annually. Their policy is to hold enough cash reserves to meet the operating costs of the Group for at least one year. Surplus funds from donations and rental income are accumulated and used to build new temples or maintain existing ones.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect on-going work programme; and
- to allow the Group to meet its objectives

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- period of time required to re-establish income streams;
- period of time required to downsize the Group operations;
- whether there is adequate control over budgets
- potential decrease in the value of the investment portfolio; and
- requirements for a reasonable level of working capital.

The Group's operating expenditure (operational expenditure comprises of all the expenditure incurred by the charity in undertaking its work to meet its charitable objectives) does not normally exceed £400,000 per annum. The Trustees are of the view that maintaining free reserves, which are considered total unrestricted funds less those funds represented by operational and investment fixed assets, of at least three times this amount, i.e. £1.2m, will provide sufficient resources in the event of adverse conditions. As at 31 December 2023, the Group's free reserves amounted to £5.1m. The Charity holds surplus reserves to fund the future purchase of additional properties for use in furtherance of its charitable objectives.

The Trustees have confirmed that, after careful review of the reserves policy, as at 31 December 2023, the Group's free reserves were in excess of its reserves policy, purchase of additional properties are being actively sought by the Trustees for furtherance of Charity's objectives. In considering the adequacy of the reserves, the Trustees have taken into account the largely discretionary nature of its expenditure and the amount of cash held and investment income derived.

Principal risks and uncertainties

The main risks for the Group are:

- generation of rental income from its investment properties to fund its own operating costs and support the operations of other charities with common objects and activities. Income from letting its investment properties is dependent on the economic cycles, including their impact on tenant covenant quality, interest rates, inflation, property values and environmental and health and safety measures and its compliance. The Group typically acquires properties in areas which its trustees believe can be readily let at reasonable income levels and with little risk of void periods. The trustees regularly carry out maintenance of its properties to comply with health and safety obligations and to ensure that its properties do not fall into a state of disrepair.

- The Group relies on donations from Sarjudas Foundation to supplement its rental income surpluses in order to be able to finance the acquisition of both investment properties and properties acquired by the Charity and made available for use by BAPS and other charities with similar aims and objectives. Sarjudas Foundation is an established Charity and the trustees see no reason why donations from that Charity may cease, however, the Group has an unencumbered investment property portfolio with a value of £31.5m and could easily gear up with debt to finance further property acquisitions should donations from Sarjudas Foundation ease.

Financial and risk management objectives and policies
The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of the Group. In doing so, the Board has considered the major risks to which the Group is exposed, the potential impact and probability associated with each risk, and the mitigating actions needed to reduce each risk to a level that the Trustees considers to be acceptable.

The major financial risks are each subject to ongoing monitoring and management. Income and cost control are subject to ongoing review on at least a quarterly basis with prior approval of the Board needed for significant cost activities.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk
Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Such credit risk would arise primarily from trade and other receivables. The Group's trade debtors are minimal and other debtors relate to payments on account of construction work on certain of its existing properties. Consequently, the Group considers its credit risk to be minimal. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group has no debt or other significant financial obligations and maintains sufficient liquid cash resources to meet its operating cash flows.

(c) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group has no interest-bearing borrowings and as such has no exposure to interest rate risk. As the Group has no significant interest-bearing financial assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group 's interest bearing financial assets are mainly short term in nature.

Internal Control
The Trustees have overall responsibility for ensuring that the Group has appropriate systems of internal controls across the entire organisation.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Production of monthly management accounts and review of financial results and performance indicators by the Trustees at monthly meetings.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Future plans
Nilkanth Estates continue to seek suitable investment properties to develop its portfolio.

With the support of donations from Sarjudas Foundation and surplus rental income from its investment properties, the Group intends to acquire further investment properties and support the activities of BAPS who share common aims and objectives.

Subsidiary Undertaking:
Nilkanth Estates also holds wholly-controlled subsidiary, Brandon House Limited. Brandon House Limited has same objects as the Nilkanth Estates. Brandon House Limited holds a mixed-use assets, Brandon House, part of which is rented out commercially and thus accounted for as an investment, and part of which is used for operational purposes and thus accounted for as a tangible fixed asset. The principal risks are similar to the ones highlighted for the group in the section below.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing document

Nilkanth Estates is a registered Charity (number 1148431) under the Charities Act 2011 and is a charitable organisation incorporated in England on 24 July 2012 as a company limited by guarantee under Company number 08154119. The Charity is controlled by its governing document, Memorandum and Articles of Association.

Trustees

There were 3 trustees during the year. The trustees have responsibility for meeting the Group's charitable obligations and objectives. Changes in Trustees during the year are provided below.

Under the requirements of the Memorandum and Articles of Association of the Charity, trustees are elected to serve for a period of three years after which they must be re-elected. Subject to article 20A, the trustees may appoint new and additional trustees by a resolution of the Trustees passed at a Trustee meeting. These individuals work alongside existing Trustees for a period of three years before being considered for appointment. Ongoing training is received by the trustees through attendance at courses and being provided with relevant information from various resources, as required.

All trustees give their time voluntarily and receive no remuneration or benefits from the Charity. As the trustees are the key management personnel of the Charity and are not remunerated, there is no remuneration policy for key management personnel.

Operation

The Board of Trustees, which can have up to 7 members, administers the Group. There is one full time trustee (Mr G P Patel) who is supported by two full-time administrators appointed by the trustees to manage the day-to-day operations of the Group. To facilitate effective operations, the administrators have delegated authority, within terms of the delegation approved by the trustees, for operational matters such as finance.

Most trustees are already familiar with the practical work of the Group having been involved in various activities themselves as volunteers. Additionally, new trustees are invited and encouraged to attend a series of training sessions to familiarise themselves with the Group and the context within which it operates. These are jointly led by the Chair of the Board of Trustees.

All trustees give their time voluntarily and receive no remuneration or benefits from the Group.

Attendance at board meetings

The board meets when necessary but seeks to meet fortnightly at least. During the year, all trustees attended 100% of all meetings.

Statement of Trustees' Responsibilities
The Trustees are responsible for preparing the Trustees' Report, the Group Strategic Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice on Accounting and Reporting;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

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

Statement as to Disclosure of Information to Auditors
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Public benefit
The trustees are mindful of the Charity Commission's guidance on public benefit 'Charities and Public Benefit' and, in particular the supplementary guidance for charities whose aims include advancing religion 'The Advancement of Religion for the Public Benefit' and have regard to that guidance when reviewing the Group 's aims and objectives and in planning future activities.

We are confident that, by providing financial resources to support the work of BAPS and other similar charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith, we help to promote the faith more effectively, at a national level, and in individual centres, and that in doing so provide a benefit to the public by:

- providing facilities for public worship, spiritual, moral and intellectual development both those who wish to benefit from what the what the Group offers; and

- through its support of BAPS, promoting Hindu values and service by members of BAPS in and to their communities, to the benefit of individuals and society as a whole.

Events since the end of the year
Information relating to events since the end of the year is given in the notes to the financial statements.

Related parties and relationships with other organisations
Nilkanth Estates is related to both Sarjudas Foundation and BAPS Swaminarayan Sanstha, and there is a trustee in common with BAPS Swaminarayan Sanstha, all three charities share the same objectives. In 2024, the Charity received grants of £3.025m (2023 - £Nil) from Sarjudas Foundation and continued to provide BAPS with premises from which to hold congregations etc in the advancement of their objectives.
During the year the Charity provided a loan of £Nil (2023: £2.2m) to the Sarjudas foundation, in furtherance of charitable objects of Nilkanth Estates. The loan was interest-free, unsecured and repayable on demand. This was repaid in full in 2024. During the year the Charity paid grant of £2.2m to the Sarjudas Foundation, in furtherance of the charitable objects of Nilkanth Estates.
BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable.

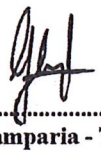
Reference and administrative details

Registered Company number:	08154119 (England and Wales)
Registered Charity number:	1148431
Trustees:	Mr. G.P Patel - Accountant Mr. S J Kara - Director of Strategic Alliances – IT Services Mr G Ramparia - Businessman Mr K Bhattessa - Hotelier
Registered office:	1, Pramukh Swami Road, Neasden, London, England, NW10 8HW
Country of registration:	England
Auditors:	MHA Sixth floor 2 London Wall Place London EC2Y 5AU
Principal Bankers:	The Royal Bank of Scotland plc 354 Station Road Harrow HA1 3XZ
Solicitors:	Hugh Cartwright & Amin 12 John Street London WC1N 2EB

AUDITORS

The auditors, MHA, will be proposed for re-appointment at the forthcoming Annual General Meeting following their appointment during the year.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 31st October 2025 and signed on the board's behalf by:



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Mr G Ramparia - Trustee

Opinion

We have audited the financial statements of Nilkanth Estates (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows 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 group's and parent charitable company's affairs as at 31 December 2024, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of their future investment strategy and expected investment income.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Directors' report and Strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report and Strategic report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 included in the Trustees' Annual Report, the Trustees (who are also the Directors of the 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 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

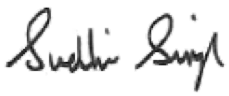
- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of those charged with governance concerning any instances of known or suspected instances of fraud;
- Enquiry of those charged with governance concerning actual and potential litigation and claims;
- Enquiry of those charged with governance concerning any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of this report

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



Sudhir Singh FCA (Senior Statutory Auditor)
For and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 31 October 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

Nilkanth Estates

Consolidated and Charity Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31st December 2024

	Notes	The Group – unrestricted funds 2024	2023	The Charity - unrestricted funds 2024	2023
		£	£	£	£
Income from:					
Donations and legacies	3	**3,025,000**	-	**3,025,000**	-
Investment income	4	**1,533,704**	1,554,189	**1,077,587**	1,030,205
Other	5	**279,000**	-	**279,000**	-
Total income		**4,837,704**	1,554,189	**4,381,587**	1,030,205
Expenditure on:					
Raising funds	6	**728,314**	373,024	**691,988**	318,628
Charitable activities:					
- Provision of facilities	6	**1,223,208**	1,147,698	**1,187,129**	1,118,764
- Provision of Grants	6	**2,200,000**	-	**5,642,094**	
Total expenditure		**4,151,522**	1,520,722	**7,521,211**	1,437,392
Net income/(expenditure) before net losses on investments	8	**686,182**	33,467	**(3,139,624)**	(407,187)
Gains/(losses) on revaluation and reclassification of fixed assets		**(1,571,551)**	-	**178,449**	-
Net movement in funds		**(885,369)**	33,467	**(2,961,175)**	(407,187)
Funds brought forward		**100,401,972**	100,368,505	**88,666,981**	89,074,168
Funds carried forward	18	**99,516,603**	100,401,972	**85,705,806**	88,666,981

The total funds of the Company were unrestricted. There were no restricted or designated funds during the year or for the previous year.

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

The appended notes for part of these accounts.

Nilkanth Estates

Company number 08154119

Consolidated and Charity Balance Sheets
as at 31 December 2024

	Notes	The Group 2024 £	2023 £	The Charity 2024 £	2023 £
Fixed assets:					
Tangible assets	12	56,197,367	53,825,632	50,263,313	52,177,872
Investment properties	13	31,941,347	31,416,347	25,931,464	25,406,464
Mixed use assets	14	8,250,000	10,000,000	-	-
		96,388,714	95,241,979	76,194,777	77,584,336
Current assets:					
Debtors	16	1,590,018	2,386,069	7,475,181	8,834,251
Cash at bank and in hand		2,481,146	3,112,338	2,304,410	2,489,823
		4,071,164	5,498,407	9,779,591	11,324,074
Liabilities:					
Creditors: amounts falling due within one year	17	(943,276)	(338,414)	(268,562)	(241,430)
Net current assets		3,127,889	5,159,993	9,511,029	11,082,644
Total assets less current liabilities		99,516,603	100,401,972	85,705,806	88,666,981
Total net assets		99,516,603	100,401,972	85,705,806	88,666,981
Funds:					
Unrestricted income funds	18	99,516,603	100,401,972	85,705,806	88,666,981
Total funds		99,516,603	100,401,972	85,705,806	88,666,981

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The appended notes form part of these accounts.

The financial statements were approved by the Board of Trustees on 31st October 2025 and were signed on its behalf by:

G P Patel
Trustee

G Rampariia
Trustee

Nilkanth Estates

Consolidated and Charity Statement of Cash Flows
For the year ended 31 December 2024

	Notes	The Group 2024 £	2023 £	The Charity 2024 £	2023 £
Net cash provided by/ operating activities	19	**3,204,307**	777,347	**(660,290)**	400,413
Cash flows from investing activities:					
Dividends, interest, and rents received from investments		**74,795**	-	**74,795**	-
Purchase of tangible fixed assets		**(3,910,292)**	(337,689)	**(3,042,012)**	(337,689)
Sale/grant of tangible fixed assets		-	-	**3,442,094**	-
Purchase of investment property		-	(7,926)	-	-
Net cash provided by/(used in) investing activities		**(3,835,497)**	(345,615)	**474,877**	(337,689)
Change in cash and cash equivalents in the year		**(631,192)**	431,732	**(185,413)**	62,724
Cash and cash equivalents at the beginning of the year		**3,112,338**	2,680,606	**2,489,704**	2,426,980
Cash and cash equivalents at the end of the year		**2,481,146**	3,112,338	**2,304,291**	2,489,704

ANALYSIS OF CHANGES IN NET DEBT
(No Debt is held by the Charity and Group)

Group	As at 01 January 2024 £	Cash flows £	As at 31 December 2024 £
Cash at bank and in hand	3,112,338	(631,192)	2,481,146
	3,112,338	**(631,192)**	**2,481,146**
Charity			
Cash at bank and in hand	2,489,704	(185,413)	2,304,291
	2,489,704	**(185,413)**	**2,304,291**

1. Accounting policies

(a) Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) '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) (issued in October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The functional and presentation currency is UK Pound Sterling (£).

These financial statements consolidate the results of the Charity and its wholly-controlled subsidiary on a line by line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the Charity's balance sheet.

(b) Public benefit entity

The Charity and its wholly-controlled subsidiary meet the definition of a public benefit entity under Charities SORP (FRS 102).

(c) Going concern

The majority of the income received from by the Group is investment income from its investment property portfolio which are let to social housing providers. The Group has continued to receive income based on its investment in properties over the years. The Charity has minimal on-going legal or constructive commitments. There are no uncertainties, material or otherwise, regarding the Group's going concern.

The trustees therefore have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future which exceeds 12 months from the date of signing of the financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

(d) Income

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Voluntary income comprises revenues generated from various forms of donations.

Investment income includes income generated from property investment and interest received on cash deposits.

(e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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.

1. Accounting policies (continued)

(f) 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 is classified under the following activity headings:

- Costs of raising funds which relates to the investment management costs.
- Expenditure on charitable activities which includes grants and the costs of activities undertaken to further the purposes of the Charity, and their associated support costs including governance costs and depreciation of tangible fixed assets.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

(g) Grant making

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional – such grants are recognised as expenditure when conditions attached are fulfilled.

(h) Allocation of support costs

All support costs are allocated to the expenditure on charitable activities as none of these costs are allocable to the costs of raising funds, which are the investment management costs.

Support costs include governance costs, which are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the group's activities. Total support costs have been allocated entirely to the Provision of facilities charitable activity; the Trustees believe that the portion which should be allocated to the Grants charitable activity to be immaterial.

(i) Taxation

The group is exempt from corporation tax on its charitable activities.

(j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 2% on cost

Freehold land is not depreciated.

(k) Investment properties

Investment properties are measured at fair value at each reporting date and are not depreciated.

Cash investments

Cash held in fixed term deposit accounts exceeding one year are classified as fixed asset investments as they are generally held with the overall intention of long term retention for the continuing benefit of the group in the form of income and capital appreciation.

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

Loans which have been provided with an interest rate below the market rate and for charitable purposes are deemed concessionary loans.

(m) **Cash at bank and in hand**
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(n) **Creditors and provisions**
Creditors and provisions are recognised where the group 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.

The group 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 amortised cost using the effective interest method.

(o) **Fund accounting**
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investment Properties
Investment properties whose fair value can be measured reliably without undue cost or effort should be measured at fair value at the year end with any changes in fair value recognised in the statement of financial activities.

The investment properties have been valued by the trustees at the period-end based on their knowledge of the properties and their location and having conducted informal market research considering comparable properties. Following their assessment, they have concluded that there has been no material change in the fair value since the previous valuation, with the exception of one investment property whose fair value is considered to have increased by £2.6m since the previous year-end, following an independent valuation by RICS-accredited chartered surveyor. A change in the assumptions used by the trustees may result in a change in the value of investment properties.

2. Critical accounting estimates and judgements, continued

Freehold Property
The Group and the Charity hold freehold land and buildings. The freehold buildings are depreciated over a period of 50 years whilst land is not depreciated as its value is not likely to diminish over time.

The Group carries out regular maintenance of its freehold properties and therefore it is likely that the useful lives of the property may exceed 50 years.

The trustees have been required, in the absence of a split of purchase cost, to estimate the allocation of the cost of these properties between the relative elements attributable to land, which is not depreciated, and buildings. Having consulted with property professionals, considered statutory provisions, and researched market factors, the trustees consider 30% of the acquisition cost of each tangible fixed asset to represent land and 70% to represent buildings. As such, 30% of the cost of each tangible fixed asset property is not depreciated.

3. Income from donations and legacies

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Donations	3,025,000	-	3,025,000	-

Included within Donations above is a donated asset valued at £1,025,000.

4. Income from investments

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Rental income – operating leases	1,458,909	1,554,189	1,002,792	1,030,205
Interest income	74,795	-	74,795	-
	1,533,704	1,554,189	**1,077,587**	1,030,205

5. Other Income

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Loan impairment reversal	279,000	-	279,000	-
	279,000	-	**279,000**	-

As detailed in Note 20, the Charity has provided a loan to its subsidiary, Brandon House Limited. A provision against this loan, which represented a portion of interest accrued on the loan up until the date the loan became interest-free but which the Charity previously had not sought repayment of, has been removed during the year.

6. Analysis of Expenditure

Group:

	Direct costs	**Grant funding of activities**	**Support costs**	**Total funds**	Direct costs	Grant funding of activities	Support costs	Total Funds
	2024	**2024**	**2024**	**2024**	2023	2023	2023	2023
	£	**£**	**£**	**£**	£	£	£	£
Raising funds – investment management costs:								
Rates	(5,236)	-	-	(5,236)	(1,395)	-	-	(1,395)
Gas and electricity	-	-	-	-	40,688	-	-	40,688
Repairs and maintenance	461,503	-	-	461,503	135,416	-	-	135,416
Insurance	118,497	-	-	118,497	97,864	-	-	97,864
Consultancy fees	152,888	-	-	152,888	100,034	-	-	100,034
Bank charges	228	-	-	228	391	-	-	391
Sundries	434	-	-	434	26	-	-	26
	728,314	-	-	**728,314**	373,024	-	-	373,024
Charitable activities:								
Provision of facilities	-	-	1,223,208	1,223,208	-	-	1,147,698	1,147,698
Grants	-	2,200,000	-	2,200,000	-	-	-	-
	-	**2,200,000**	**1,223,208**	**3,423,208**	-	-	**1,147,698**	**1,147,698**
	728,314	**2,200,000**	**1,223,208**	**4,151,522**	**373,024**	-	**1,147,698**	**1,520,722**

6. Analysis of Expenditure (Continued)

Charity:

	Direct costs	Grant funding of activities	Support costs	Total funds	Direct costs	Grant funding of activities	Support costs	Total Funds
	2024	**2024**	**2024**	**2024**	2023	2023	2023	2023
	£	**£**	**£**	**£**	£	£	£	£
Raising funds – investment management costs:								
Rates	-	-	-	-	129	-	-	129
Gas and electricity	-	-	-	-	23,173	-	-	23,173
Repairs and maintenance	455,490	-	-	455,490	135,413	-	-	135,413
Insurance	116,923	-	-	116,923	88,145	-	-	88,145
Consultancy fees	119,396	-	-	119,396	71,460	-	-	71,460
Bank charges	179	-	-	179	295	-	-	295
Sundries	-	-	-	-	13	-	-	13
	691,988	-	-	**691,988**	318,628	-	-	318,628
Charitable activities:								
Provision of facilities			1,187,129	1,187,129	-	-	1,118,764	1,118,764
Grants	-	5,642,094	-	5,642,094	-	-	-	-
	-	**5,642,094**	**1,187,129**	**6,829,223**	-	-	**1,118,764**	**1,118,764**
	691,988	**5,642,094**	**1,187,129**	**7,521,211**	**318,628**	-	**1,118,764**	**1,437,392**

Analysis of grants

The grants detailed below were made to institutions only

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Brandon House Limited	-	-	3,442,094	-
Sarjudas Foundation	2,200,000	-	2,200,000	-
	2,200,000	-	**5,642,094**	-

The grants awarded to Brandon House Limited represents the net book value of Old Gloucester Street property, which was transferred to Brandon House Limited during the year such that it could continue the property's ongoing redevelopment for the furtherance of both entities' mutual charitable objects.

The grant awarded to Sarjudas Foundation was to support its ongoing construction of a Mandir in Paris. Nilkanth Estates and the Sarjudas Foundation have mutual charitable objects.

All grants were made in full during the year.

7. Support costs

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Provision of facilities	1,192,008	1,124,844	1,167,929	1,100,764
Governance costs (See note 8)	31,200	22,800	19,200	18,000
Interest payable	-	54	-	-
	1,223,208	1,147,698	**1,187,129**	1,118,764

Governance costs represent auditors' remuneration only.

8. Net income/(expenditure) for the year

Net income/(expenditure) for the year is stated after charging:

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Depreciation of fixed assets - owned	1,192,008	1,124,844	1,167,927	1,100,764
Auditors' remuneration (including VAT)				
o Statutory audit:	25,200	22,800	19,200	18,000
o Other services:	7,200	-	-	-

9. Staff costs

The Group does not have any employees. Its trustees are responsible for the governance of the Group and give their time freely. Volunteers, including employees of The Sarjudas Foundation and BAPS Charities, "manage" the day-to-day operations of the Group. Whilst the nature of the volunteers' time is not considered general, the monetary value of their time is not considered material and thus not recognised in the accounts.

10. Trustees' remuneration and expenses

Neither the Charity trustees nor the directors of the subsidiary were paid any remuneration, nor did they receive any other benefits from employment with the Group in the year (2023: £nil). No Charity trustee received payment for professional or other services supplied to the Charity, nor incurred or received reimbursed expenses. (2023: £nil).

11. Taxation

The group is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Group	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	73,016,311	636,377	73,652,688
Additions	2,878,063	1,032,229	3,910,292
Disposals	(551,349)	-	(551,349)
Reclassification	(400,790)	-	(400,790)
At end of the year	**74,942,235**	**1,668,606**	**76,610,841**
Depreciation			
At start of the year	19,827,056	-	19,827,056
Charge for the year	1,192,007	-	1,192,007
Disposals	(551,349)	-	(551,349)
Reclassification	(54,240)	-	(54,240)
At end of the year	**20,413,474**	**-**	**20,413,474**
Net Book Values:			
At end of the year	**54,528,761**	**1,668,606**	**56,197,367**
At start of the year	53,189,255	636,377	53,825,632

Included in cost or valuation of land and buildings is freehold land of £1,128,373 (2023 - £1,128,373) which is not depreciated.

During the year, the Charity reclassified one of its properties; a tangible fixed asset began being let to earn rental income. Upon the reclassification of the tangible fixed asset to an investment property, the Charity assessed and increased the property's fair valuation – see note 13 below.

12. Tangible fixed assets (Cont'd)

Charity	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	71,296,311	636,377	71,932,688
Additions	2,878,063	163,949	3,042,012
Disposals	(551,349)	-	(551,349)
Granting of assets	(2,641,768)	(800,326)	(3,442,094)
Reclassification	(400,790)	-	(400,790)
At end of the year	70,580,467	-	70,580,467
Depreciation			
At start of the year	19,754,816	-	19,754,816
Charge for the year	1,167,927	-	1,167,927
Disposals	(551,349)	-	(551,349)
Reclassification	(54,240)	-	(54,240)
At end of the year	20,317,154	-	20,317,154
Net Book Values:			
At end of the year	**50,263,313**	-	**50,263,313**
At start of the year	51,541,495	636,377	52,177,872

During the year, the charity granted Old Gloucester street, property to Brandon House Limited. This property is under construction and is intended for mixed use.

13. Investment properties

	The Group		The Charity	
	2024	2023	**2024**	2023
	£	£	£	£
Market value				
At start of the year	31,416,347	30,898,020	25,406,464	24,896,062
Additions	-	7,925	-	-
Revaluation	178,449	-	178,449	-
Reclassification	346,551	510,402	346,551	510,402
At end of the year	**31,941,347**	31,416,347	**25,931,464**	25,406,464

Investment properties with an original cost of £26.7m have been valued at £31.94m by the trustees.
The trustees of the Group performed an assessment of the market value of its investment properties at the year-end.
The trustees reviewed the presentation of the Brandon House property (Beddington Conference Centre – BCC) at 31 December 2020. They reassessed the presentation and considered it a mixed-use asset, the investment part of which is recognised at year-end fair value (see Note 14 below).

14. Mixed-use assets

	The Group		The Charity	
	2024	2023	**2024**	2023
	£	£	£	£
Fair value				
At start of the year	10,000,000	10,000,000	-	-
Revaluation	(1,750,000)	-		
At end of the year	**8,250,000**	**10,000,000**	**-**	**-**

In line with financial reporting requirements, and at the year-end, the Trustees have reviewed the fair value of the element of the Brandon House property which is used for investment purposes. In doing so they have obtained an informal valuation from a RICS-accredited property advisor which suggested that the fair value of the investment property element of Brandon House was £8.25m. Accordingly, a loss on revaluation has been recognised.

15. Investments in subsidiaries

Nilkanth Estates controls 100% of a charitable company, Brandon House Limited (Reg. Charity no. 1172517 and Company no. 10612051), which was incorporated in England and Wales on 9 February 2017. Brandon House Limited is a company limited by guarantee. It owns three light industrial units and Beddington Conference Centre ('BCC'). The industrial units have been rented out to a single tenant on a 10-year lease at an initial rent of £200,000 for the first year rising to £400,000 from the second year with rent review after 5 years.

During the year Nilkanth estates granted 25 Gloucester Road, London property to Brandon House Limited. On completion of the construction works this property is intended to have mixed usage with part of it for own purposes for furtherance of the Group's objectives and remainder to be rented on commercial basis.

A summary of the financial statements of the Charity's subsidiary, Brandon House Limited is shown below:

Statement of financial activities

	2024	**2023**
Income and Endowments from:	**£**	**£**
Donations and legacies	3,442,094	-
Investment income	456,117	523,984
Total income	3,898,211	523,984
Expenditure on:		
- Raising funds	(36,325)	(54,448)
- Charitable activities – Provision of facilities	(36,080)	(28,880)
Total expenditure	(72,405)	(83,328)
Gains/(losses) revaluation of fixed assets	(1,750,000)	-
Net income	**2,075,806**	440,656

Balance sheet

	2024	2023
	£	£
Tangible assets	5,934,054	1,647,760
Investment properties	6,009,882	6,009,882
Mixed use assets	8,250,000	10,000,000
Current assets	325,824	808,583
Creditors due within one year	(424,711)	(96,982)
Creditors due after more than one year	(6,563,251)	(6,913,251)
Net assets	**13,531,798**	11,455,992

Nilkanth Investments Limited (Registered company no. 1571265) is wholly owned subsidiary of Nilkanth Estates. The company is currently dormant and therefore has been excluded from group consolidation.

16. Debtors

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Amounts falling due within one year:				
Trade Debtors	14,869	19,768	-	-
Other debtors	1,386,500	166,301	1,082,500	-
VAT recoverable	104,264	-	-	-
Loans receivable	-	2,200,000	-	2,200,000
Prepayments & accrued income	84,385	-	79,430	-
	1,590,018	2,386,069	**1,161,930**	2,200,000
Amounts falling due after more than one year:				
Concessionary loan	-	-	6,313,251	6,634,251
Aggregate amounts	**1,590,019**	2,386,069	**7,475,181**	8,834,251

Nilkanth Estates provided a loan to its subsidiary, Brandon House Limited, of £8,201,331 in 2017 for the purchase of the subsidiary's property and to further both entities' charitable objectives. The loan: incurred interest at 3% per annum up until 31 December 2020 after which loan became interest free; is secured against the property; is repayable on demand, though the parent Charity has provided assurances that it will not be repayable until at least one year from 31 December 2024. During the year loan of £600,000 was repaid.

The Charity also provided a loan of £Nil (2023: £2.2m) to Sarjudas Foundation during the year, in furtherance of the charitable objects of Nilkanth Estates. The loan was interest-free, unsecured and repayable on demand. As detailed in Note 20, the loan was repaid in full during the year.

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	£	£
Trade creditors	614,133	246,163	258,273	231,289
Other creditors	79,143	92,175	10,289	10,141
Loans payable	250,000	-	-	-
VAT payable	-	76	-	-
	943,276	338,414	**268,562**	241,430

The group received an interest free loan of £250,000 from Sarjudas Foundation, and is repayable on demand. The Sarjudas Foundation have the same aims and objectives and the same beneficiaries as Nilkanth Estates.

18. Funds

	The Group		The Charity	
	2024	2023	**2024**	2023
	£	£	£	£
Unrestricted funds				
At start of the year	100,401,972	100,368,505	88,666,981	89,074,168
Incoming resources	4,837,704	1,554,189	4,381,587	1,030,205
Resources expended	(4,151,522)	(1,520,722)	(7,521,211)	(1,437,392)
Gain on revaluation of fixed assets	(1,571,551)	-	178,449	-
At end of the year	**99,516,603**	**100,401,972**	**85,705,806**	88,666,981

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	£	£
Net income for the reporting period as per statement of financial activities)	(885,369)	33,467	(2,961,175)	(407,187)
Depreciation	1,192,007	1,124,844	1,167,927	1,100,764
Dividends, interest and rents	(74,795)	-	(74,795)	-
(Gain)/loss on revaluation of fixed assets	1,571,551	-	(178,449)	-
(Increase)/decrease in debtors	796,050	(354,026)	1,359,070	(253,290)
(Decrease)/increase in creditors	604,863	(26,938)	27,132	(39,874)
Net cash provided by/(used in) operating activities	**3,204,307**	777,347	**(660,290)**	400,413

20. Related party transactions

The Group has provided operational and investment properties with a carrying value of £34.86m to The Sarjudas Foundation (and its wholly owned subsidiaries and group undertakings) and BAPS Charities rent-free, for a nominal rent amount, or on an arm's length basis. As detailed in Note 16 above, the Charity provided the Sarjudas Foundation with an interest-free, unsecured £2.2m loan in 2023, this loan was fully repaid during the year.
During the year the Nilkanth Estates paid grant of £2.2m to the Sarjudas Foundation.
The Sarjudas Foundation and BAPS Charities have the same aims and objectives and the same beneficiaries as Nilkanth Estates. BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable. There are also common trustees/directors among the three entities.

The charity paid grant to Brandon House Limited by way of a property transfer. Net book value amounting to £3.442m, was transferred to Brandon House Limited from Nilkanth Estates.

In 2017, Nilkanth Estates provided a concessionary loan of £8,271,331 to Brandon House Limited, its wholly-controlled subsidiary. Of this loan, £8,201,331 was used to fund the purchase of the investment property held by this company. Interest on the loan was charged at 3% per annum up until 31st December 2020, and has been interest free since. The loan is repayable on an indeterminate period.
Nilkanth Estates has also provided financial support to Brandon House Limited so that the latter remains a going concern.

	2024	2023
	£	£
Balance receivable from Brandon House Ltd	**9,213,251**	9,213,251
Impairment provision	**-**	(279,000)
Cumulative repayment	**(2,900,000)**	(2,300,000)
	6,313,251	6,634,251

During the year the Charity received £26,000 (2023: £Nil) of rental income from a company, a director of which is also a Trustee of Nilkanth Estates.

21. Post Balance-sheet events

- The following properties were acquired by the Charity after the year-end;
  1. Kestin House, 45 Crescent Road, Luton, LU2 0AH- £1.7m
  2. Palace of John Whitgift School, Melville Avenue, South Croydon CR2 7YN - £9.12m
  3. Hounslow Conservative Club, Gresham Road, Hounslow TW3 4BX - £5m
  4. 389-391 Honeypot Lane, Stanmore HA7 1JJ - £1.22m

- The Charity received grants totalling to £16.8m after the year-end from Sarjudas Foundation.

22. Legal status of the Charity and its Subsidiaries

The Charity is a company limited by guarantee and has no share capital. Its registered office address is 1 Pramukh Swami Road, Neasden, London NW10 8HW. In the event of a winding up of the company, the liability of the trustees who are also the members of the company is limited to £1.

Its subsidiary, Brandon House Limited, is also a company limited by guarantee, has no share capital and is also a registered Charity. Nilkanth Estates is the sole member of Brandon House Limited and the former's liability in the event of a winding up is limited to £1. The registered office address of the Subsidiary is Brandon House, 104 College Road, Harrow HA1 1BQ.

Nilkanth Investments Limited, is a dormant company which is 100% owned by Nilkanth Estates. The registered office address of the subsidiary is Nilkanth Investments Limited, 1 Pramukh Swami Road, Neasden, London NW10 8HW.

NILKANTH ESTATES

England & Wales - Charity number 1148431

Accounts

REGISTERED COMPANY NUMBER: 08154119 (England and Wales)
REGISTERED CHARITY NUMBER: 1148431

Group Strategic Report, Report of the Trustees and Audited Consolidated Financial Statements

For the year ended 31st December 2023

for

NILKANTH ESTATES

Nilkanth Estates

Contents of the Consolidated Financial Statements
For the year ended 31st December 2023

	Pages
Report of the Trustees (including Group Strategic Report)	1
Report of the Independent Auditors	10
Consolidated and Charity Statement of Financial Activities	14
Consolidated and Charity Balance Sheets	15
Consolidated and Charity Cash Flow Statement	16
Notes to the Consolidated financial statements	17 – 27

Report of the Trustees (including Group Strategic Report) For the year ended 31st December 2023

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, Strategic Report and the audited financial statements of Nilkanth Estates (the 'Charity' or 'Company') and the group for the year ended 31st December 2023.

Nilkanth Estates (company number 08154119, incorporated in England on 24 July 2012) and its wholly-controlled subsidiary, Brandon House Limited (company number 10612051, incorporated in England on 9 February 2017), are both charitable organisations established as companies limited by guarantee. The Charity is based in the UK and has its head office in Neasden, London.

OBJECTIVES AND ACTIVITIES

The group's purposes, as set out in the Objects clause contained in the Charity's and its subsidiary's Memorandum of Association are:

1. to advance the Akshar Purushottam Swaminarayan denomination of the Hindu religion based upon the teachings and principles of Bhagwan Swaminarayan; and to foster the practice and worship of the Akshar Purushottam Swaminarayan denomination of the Hindu religion as revealed by Bhagwan Swaminarayan;

2. preserve and safeguard the health of all persons and in particular of young persons who are in danger of becoming addicted to or dependent upon illegal drugs of any description, alcohol, solvents or other addictive substances; advance education for the public benefit;

3. promote community participation in healthy recreation so as to develop participants' physical, mental and spiritual capacities; and

4. for those purposes without prejudice to the generality of the foregoing, to allow other charities having similar objects to occupy any of its premises at nil or nominal rent.

Our aims fully reflect the purposes that the group was set up to further.

Ensuring our work delivers our aims
The trustees review the aims, objectives and activities of the Charity each year. This review looks at what the Charity has achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers
The Charity is run by its trustees and other volunteers who give their time freely in the day-to-day management of the Charity.

GROUP STRATEGIC REPORT

Achievement and performance

Nilkanth Estates own and manage a debt-free diverse property portfolio with a carrying value of £95.28 million, of which properties with a net book value of £52.1 million are used for charitable purposes specifically for use by Bochasanwasi Shri Akshar Purshottam Sanstha 'BAPS' in the advancement of our common objectives. Properties valued at £43.18 million are held for investment purposes. Our expenditure objective is two-fold:

- increase investment income by increasing our property portfolio in order to support the operating costs where required by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith;

- to fund the acquisition and development of properties for use by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith.

The properties held for investment purposes are predominantly residential properties and a property which was used as a private Hindu faith-based school has ceased its activities. This property therefore has now been reclassified from investment property to a freehold property. The Trustees are considering alternative use of this property.

The properties held as tangible fixed assets are those provided by the Charity to BAPS for use across the country as temples, assembly halls and ancillary purposes. In addition, there are a number of residential properties which are held to provide accommodation for full-time volunteers, priests and overseas visitors.

During the year the Charity reclassified one of its properties; one tangible fixed asset began being let to earn rental income. Upon the reclassification the Charity assessed its fair valuation and was satisfied.

Charitable activities

During the year, the Group achieved its aims and objectives by providing properties with a carrying value of £52.1 million rent-free to BAPS and The Sarjudas Foundation (and its wholly-owned subsidiaries and group undertakings). Both these charities have the same aims and objectives as Nilkanth Estates.

The properties provided by the Group to BAPS include Mandirs situated in:

Neasden, London	Coventry	Chigwell, London	Havant
Leeds	Leicester	Loughborough	Luton
Manchester	Birmingham	Preston	Southend-On-Sea
South London	Wellingborough		

The activities undertaken at the above properties further the Charity's common aims and objectives for the public benefit and include a variety of weekly activities, spiritual forums for children and adults, courses in ethnic language, music, and dance, and events which cultivate personal talents and interpersonal skills and promote the strengthening of relationships within communities and families.

During the year the Charity provided a loan of £2.2m to the Sarjudas Foundation, in furtherance of charitable objects of Nilkanth Estates. This was repaid in full after the year-end.

Financial review

The Group is funded by the following main activities:

(i) Rental income
(ii) Donations received
(iii) Treasury management.

The Group funds its expenditure from rental income derived from its investment property portfolio and has the freedom to spend both income and capital. The Group holds cash balances to manage fluctuations in cash flow.

In 2023, the Group received donations of £Nil (2022: £7.2m) from Sarjudas Foundation, a registered Charity with similar aims and objectives as the Charity and after net investment income of £1.554m (2022 - £1.461m), depreciation costs on its fixed asset properties and governance costs of £1.102m (2022 - £1.214m), and net gains on the revaluation of fixed assets of £Nil (2022 - £3.8m), the Group's retained net income for year was £78,860 (2022 – £12.15m) and accumulated reserves at the year-end were £100.447m (2022 - £100.368m).

During 2023, the Group spent a total of approximately £1.475m (2022 - £1.582m) on operating costs.

Fundraising activities
Neither the Group nor the Charity undertake any public fundraising activities.

Investment performance
In 2023, the Group's property investment portfolio valued at £31.46m (cost - £19.687m) generated a total return of c.5% on value which the trustees consider is reasonable for its property portfolio and broadly around market expectations.

Liability Insurance
The Group purchases trustee liability insurance on behalf of the trustees to protect them against claims that may arise from the performance of their charitable duties.

Reserve Policy
The Trustees review reserves annually. Their policy is to hold enough cash reserves to meet the operating costs of the Group for at least one year. Surplus funds from donations and rental income are accumulated and used to build new temples or maintain existing ones.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect on-going work programme; and
- to allow the Group to meet its objectives

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- period of time required to re-establish income streams;
- period of time required to downsize the Group operations;
- whether there is adequate control over budgets
- potential decrease in the value of the investment portfolio; and
- requirements for a reasonable level of working capital.

The Group's operating expenditure (operational expenditure comprises of all the expenditure incurred by the charity in undertaking its work to meet its charitable objectives) does not normally exceed £400,000 per annum. The Trustees are of the view that maintaining free reserves, which are considered total unrestricted funds less those funds represented by operational and investment fixed assets, of at least three times this amount, i.e. £1.2m, will provide sufficient resources in the event of adverse conditions. As at 31 December 2023, the Group's free reserves amounted to £5.1m. The Charity holds surplus reserves to fund the future purchase of additional properties for use in furtherance of its charitable objectives.

The Trustees have confirmed that, after careful review of the reserves policy, as at 31 December 2023, the Group's free reserves were in excess of its reserves policy, purchase of additional properties are being actively sought by the Trustees for furtherance of Charity's objectives. In considering the adequacy of the reserves, the Trustees have taken into account the largely discretionary nature of its expenditure and the amount of cash held and investment income derived.

Principal risks and uncertainties

The main risks for the Group are:

- generation of rental income from its investment properties to fund its own operating costs and support the operations of other charities with common objects and activities. Income from letting its investment properties is dependent on the economic cycles, including their impact on tenant covenant quality, interest rates, inflation, property values and environmental and health and safety measures and its compliance. The Group typically acquires properties in areas which its trustees believe can be readily let at reasonable income levels and with little risk of void periods. The trustees regularly carry out maintenance of its properties to comply with health and safety obligations and to ensure that its properties do not fall into a state of disrepair.

- The Group relies on donations from Sarjudas Foundation to supplement its rental income surpluses in order to be able to finance the acquisition of both investment properties and properties acquired by the Charity and made available for use by BAPS and other charities with similar aims and objectives. Sarjudas Foundation is an established Charity and the trustees see no reason why donations from that Charity may cease, however, the Group has an unencumbered investment property portfolio with a value of £31.5m and could easily gear up with debt to finance further property acquisitions should donations from Sarjudas Foundation ease.

Financial and risk management objectives and policies
The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of the Group. In doing so, the Board has considered the major risks to which the Group is exposed, the potential impact and probability associated with each risk, and the mitigating actions needed to reduce each risk to a level that the Trustees considers to be acceptable.

The major financial risks are each subject to ongoing monitoring and management. Income and cost control are subject to ongoing review on at least a quarterly basis with prior approval of the Board needed for significant cost activities.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk
Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Such credit risk would arise primarily from trade and other receivables. The Group's trade debtors are minimal and other debtors relate to payments on account of construction work on certain of its existing properties. Consequently, the Group considers its credit risk to be minimal. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group has no debt or other significant financial obligations and maintains sufficient liquid cash resources to meet its operating cash flows.

(c) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group has no interest-bearing borrowings and as such has no exposure to interest rate risk. As the Group has no significant interest-bearing financial assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group 's interest bearing financial assets are mainly short term in nature.

Internal Control
The Trustees have overall responsibility for ensuring that the Group has appropriate systems of internal controls across the entire organisation.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Production of monthly management accounts and review of financial results and performance indicators by the Trustees at monthly meetings.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Future plans
Nilkanth Estates continue to seek suitable investment properties to develop its portfolio.

With the support of donations from Sarjudas Foundation and surplus rental income from its investment properties, the Group intends to acquire further investment properties and support the activities of BAPS who share common aims and objectives.

Subsidiary Undertaking:
Nilkanth Estates also holds wholly-controlled subsidiary, Brandon House Limited. Brandon House Limited has same objects as the Nilkanth Estates. Brandon House Limited holds a mixed-use assets, Brandon House, part of which is rented out commercially and thus accounted for as an investment, and part of which is used for operational purposes and thus accounted for as a tangible fixed asset. The principal risks are similar to the ones highlighted for the group in the section below.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing document

Nilkanth Estates is a registered Charity (number 1148431) under the Charities Act 2011 and is a charitable organisation incorporated in England on 24 July 2012 as a company limited by guarantee under Company number 08154119. The Charity is controlled by its governing document, Memorandum and Articles of Association.

Trustees

There were 3 trustees during the year. The trustees have responsibility for meeting the Group's charitable obligations and objectives. Changes in Trustees during the year are provided below.

Under the requirements of the Memorandum and Articles of Association of the Charity, trustees are elected to serve for a period of three years after which they must be re-elected. Subject to article 20A, the trustees may appoint new and additional trustees by a resolution of the Trustees passed at a Trustee meeting. These individuals work alongside existing Trustees for a period of three years before being considered for appointment. Ongoing training is received by the trustees through attendance at courses and being provided with relevant information from various resources, as required.

All trustees give their time voluntarily and receive no remuneration or benefits from the Charity. As the trustees are the key management personnel of the Charity and are not remunerated, there is no remuneration policy for key management personnel.

Operation

The Board of Trustees, which can have up to 7 members, administers the Group. There is one full time trustee (Mr G P Patel) who is supported by two full-time administrators appointed by the trustees to manage the day-to-day operations of the Group. To facilitate effective operations, the administrators have delegated authority, within terms of the delegation approved by the trustees, for operational matters such as finance.

Most trustees are already familiar with the practical work of the Group having been involved in various activities themselves as volunteers. Additionally, new trustees are invited and encouraged to attend a series of training sessions to familiarise themselves with the Group and the context within which it operates. These are jointly led by the Chair of the Board of Trustees.

All trustees give their time voluntarily and receive no remuneration or benefits from the Group.

Attendance at board meetings

The board meets when necessary but seeks to meet fortnightly at least. During the year, all trustees attended 100% of all meetings.

Statement of Trustees' Responsibilities
The Trustees are responsible for preparing the Trustees' Report, the Group Strategic Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice on Accounting and Reporting;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

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

Statement as to Disclosure of Information to Auditors
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Public benefit
The trustees are mindful of the Charity Commission's guidance on public benefit 'Charities and Public Benefit' and, in particular the supplementary guidance for charities whose aims include advancing religion 'The Advancement of Religion for the Public Benefit' and have regard to that guidance when reviewing the Group 's aims and objectives and in planning future activities.

We are confident that, by providing financial resources to support the work of BAPS and other similar charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith, we help to promote the faith more effectively, at a national level, and in individual centres, and that in doing so provide a benefit to the public by:

- providing facilities for public worship, spiritual, moral and intellectual development both those who wish to benefit from what the what the Group offers; and

- through its support of BAPS, promoting Hindu values and service by members of BAPS in and to their communities, to the benefit of individuals and society as a whole.

Events since the end of the year
Information relating to events since the end of the year is given in the notes to the financial statements.

Related parties and relationships with other organisations
Nilkanth Estates is related to both Sarjudas Foundation and BAPS Swaminarayan Sanstha, and there is a trustee in common with BAPS Swaminarayan Sanstha, all three charities share the same objectives. In 2023, the Charity received a donation of £Nil (2022 - £7.2m) from Sarjudas Foundation and continued to provide BAPS with premises from which to hold congregations etc in the advancement of their objectives.
During the year the Charity provided a loan of £2.2m to the Sarjudas Foundation, in furtherance of the charitable objects of Nilkanth Estates. The loan was interest-free, unsecured and repayable on demand. This was repaid in full after the year-end.

BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable.

Reference and administrative details

Registered Company number:	08154119 (England and Wales)
Registered Charity number:	1148431
Trustees:	Mr. G.P Patel - Accountant Mr. S J Kara - Director of Strategic Alliances – IT Services Mr K Bhattessa - Hotelier
Country of registration:	England
Auditors:	MHA Sixth floor 2 London Wall Place London EC2Y 5AU
Principal Bankers:	The Royal Bank of Scotland plc 354 Station Road Harrow HA1 3XZ

Solicitors:

Hugh Cartwright & Amin
12 John Street
London
WC1N 2EB

AUDITORS

The auditors, MHA, will be proposed for re-appointment at the forthcoming Annual General Meeting following their appointment during the year.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23rd September 2024 and signed on the board's behalf by:

.....
Mr G P Patel - Trustee

Report of the Independent Auditors
For the year ended 31st December 2023

Opinion

We have audited the financial statements of Nilkanth Estates (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, 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 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 group's and parent charitable company's affairs as at 31 December 2023, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of their future investment strategy and expected investment income.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

The 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 (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 included in the Trustees' Annual Report, the Trustees (who are also the Directors of the 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 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of those charged with governance concerning any instances of known or suspected instances of fraud;
- Enquiry of those charged with governance concerning actual and potential litigation and claims;
- Enquiry of those charged with governance concerning any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of this report

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



Sudhir Singh FCA (Senior Statutory Auditor)
For and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 30 September 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Consolidated and Charity Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31st December 2023

	Notes	The Group – unrestricted funds 2023	2022	The Charity - unrestricted funds 2023	2022
		£	£	£	£
Income from:					
Donations and legacies	3	-	7,661,452	-	461,452
Investment income	4	**1,554,189**	1,461,097	**1,030,205**	1,061,098
Other	5	-	782,449	-	782,449
Total income		**1,554,189**	9,904,998	**1,030,205**	2,304,999
Expenditure on:					
Raising funds	6	**373,024**	368,018	**318,628**	347,683
Charitable activities:					
- Provision of facilities	7	**1,147,698**	1,214,405	**1,118,764**	1,185,705
Total expenditure		**1,520,722**	1,582,423	**1,437,392**	1,533,388
Net income/(expenditure) before net losses on investments	8	**33,467**	8,322,575	**(407,187)**	771,611
Gains on revaluation and reclassification of fixed assets	12/13	-	3,829,100	-	3,829,100
Net movement in funds		**33,467**	12,151,675	**(407,187)**	4,600,711
Funds brought forward		**100,368,505**	88,216,830	**89,074,168**	84,473,457
Funds carried forward	18	**100,401,972**	100,368,505	**88,666,981**	89,074,168

The total funds of the Company were unrestricted. There were no restricted or designated funds during the year or for the previous year.

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

The appended notes for part of these accounts.

Nilkanth Estates

Company number 08154119

Consolidated and Charity Balance Sheets
as at 31 December 2023

	Notes	The Group 2023 £	2022 £	The Charity 2023 £	2022 £
Fixed assets:					
Tangible assets	12	**53,825,632**	55,123,190	**52,177,872**	53,451,350
Investment properties	13	**31,416,347**	30,898,020	**25,406,464**	24,896,063
Mixed use assets	14	**10,000,000**	10,000,000	**-**	-
		95,241,979	96,021,210	**77,584,336**	78,347,413
Current assets:					
Debtors	16	**2,386,069**	2,032,043	**8,834,251**	8,580,991
Cash at bank and in hand		**3,112,338**	2,680,606	**2,489,824**	2,426,980
		5,498,407	4,712,649	**11,324,075**	11,007,971
Liabilities:					
Creditors: amounts falling due within one year	17	**(338,414)**	(365,354)	**(241,430)**	(281,216)
Net current assets		**5,159,993**	4,347,295	**11,082,644**	10,726,755
Total assets less current liabilities		**100,401,972**	100,368,505	**88,666,981**	89,074,168
Total net assets		**100,401,972**	100,368,505	**88,666,981**	89,074,168
Funds:					
Unrestricted income funds	18	**100,401,972**	100,368,505	**88,666,981**	89,074,168
Total funds		**100,401,972**	100,368,505	**88,666,981**	89,074,168

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The appended notes form part of these accounts.

The financial statements were approved by the Board of Trustees on 23rd September 2024 and were signed on its behalf by:

G P Patel
Trustee

K Bhattessa
Trustee

Nilkanth Estates

Consolidated and Charity Statement of Cash Flows
For the year ended 31 December 2023

	Notes	The Group 2023 £	2022 £	The Charity 2023 £	2022 £
Net cash provided by/ operating activities	19	777,347	7,628,102	400,413	1,750,908
Cash flows from investing activities:					
Dividends, interest, and rents received from investments		-	-	-	-
Purchase of tangible fixed assets		(337,689)	(62,966)	(337,689)	(62,966)
Purchase of investment property		(7,926)	(8,541,756)	-	(2,539,801)
Proceeds from sale of F/H Property		-	472,936	-	472,936
Net cash provided by/(used in) investing activities		(345,615)	(8,131,786)	(337,689)	(2,129,831)
Change in cash and cash equivalents in the year		431,732	(503,684)	62,724	(378,923)
Cash and cash equivalents at the beginning of the year		2,680,606	3,184,290	2,426,980	2,805,903
Cash and cash equivalents at the end of the year		3,112,338	2,680,606	2,489,704	2,426,980

ANALYSIS OF CHANGES IN NET DEBT
(No Debt is held by the Charity and Group)

Group	As at 01 January 2023 £	Cash flows £	As at 31 December 2023 £
Cash at bank and in hand	2,680,606	431,732	3,112,338
	2,680,606	**431,732**	**3,112,338**
Charity			
Cash at bank and in hand	2,426,980	62,724	2,489,704
	2,426,980	**62,724**	**2,489,704**

1. Accounting policies

(a) Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) '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) (issued in October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The functional and presentation currency is UK Pound Sterling (£).

These financial statements consolidate the results of the Charity and its wholly-controlled subsidiary on a line by line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the Charity's balance sheet.

(b) Public benefit entity

The Charity and its wholly-controlled subsidiary meet the definition of a public benefit entity under Charities SORP (FRS 102).

(c) Going concern

The majority of the income received from by the Group is investment income from its investment property portfolio which are let to social housing providers. The Group has continued to receive income based on its investment in properties over the years. The Charity has minimal on-going legal or constructive commitments. There are no uncertainties, material or otherwise, regarding the Group's going concern.

The trustees therefore have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future which exceeds 12 months from the date of signing of the financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

(d) Income

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Voluntary income comprises revenues generated from various forms of donations.

Investment income includes income generated from property investment and interest received on cash deposits.

(e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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.

1. **Accounting policies (continued)**

(f) **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 is classified under the following activity headings:

- Costs of raising funds relate to the investment management costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Charity and their associated support costs including governance costs and depreciation of tangible fixed assets.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

(g) **Allocation of support costs**
All support costs are allocated to the expenditure on charitable activities as none of these costs are allocable to the costs of raising funds, which are the investment management costs.

Support costs include governance costs, which are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the group's activities.

(h) **Taxation**
The group is exempt from corporation tax on its charitable activities.

(i) **Tangible fixed assets**
Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 2% on cost

Freehold land is not depreciated.

(j) **Investment properties**
Investment properties are measured at fair value at each reporting date and are not depreciated.

Cash investments
Cash held in fixed term deposit accounts exceeding one year are classified as fixed asset investments as they are generally held with the overall intention of long term retention for the continuing benefit of the group in the form of income and capital appreciation.

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

1. **Accounting policies (continued)**

Loans which have been provided with an interest rate below the market rate and for charitable purposes are deemed concessionary loans.

(l) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(m) **Creditors and provisions**

Creditors and provisions are recognised where the group 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.

The group 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 amortised cost using the effective interest method.

(n) **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. **Critical accounting estimates and judgements**

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investment Properties

Investment properties whose fair value can be measured reliably without undue cost or effort should be measured at fair value at the year end with any changes in fair value recognised in the statement of financial activities.

The investment properties have been valued by the trustees at the period-end based on their knowledge of the properties and their location and having conducted informal market research considering comparable properties. Following their assessment, they have concluded that there has been no material change in the fair value since the previous valuation, with the exception of one investment property whose fair value is considered to have increased by £2.6m since the previous year-end, following an independent valuation by RICS-accredited chartered surveyor. A change in the assumptions used by the trustees may result in a change in the value of investment properties.

2. Critical accounting estimates and judgements, continued

Freehold Property
The Group and the Charity hold freehold land and buildings. The freehold buildings are depreciated over a period of 50 years whilst land is not depreciated as its value is not likely to diminish over time.

The Group carries out regular maintenance of its freehold properties and therefore it is likely that the useful lives of the property may exceed 50 years.

The trustees have been required, in the absence of a split of purchase cost, to estimate the allocation of the cost of these properties between the relative elements attributable to land, which is not depreciated, and buildings. Having consulted with property professionals, considered statutory provisions, and researched market factors, the trustees consider 30% of the acquisition cost of each tangible fixed asset to represent land and 70% to represent buildings. As such, 30% of the cost of each tangible fixed asset property is not depreciated.

3. Income from donations and legacies

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	£	£
Donations	-	7,661,452	-	461,452

4. Income from investments

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	£	£
Rental income – operating leases	1,554,189	1,461,097	1,030,205	1,061,098
	1,554,189	1,461,097	**1,030,205**	1,061,098

5. Other Income

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	£	£
Profit on disposal of fixed assets	-	322,561	-	322,561
Insurance income	-	459,888	-	459,888
	-	782,449	-	782,449

6. Cost of raising funds – investment management costs

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Rates	(1,395)	(837)	129	324
Gas and electricity	40,688	53,737	23,173	37,062
Repairs and maintenance	135,416	200,380	135,413	200,380
Insurance	97,864	72,956	88,145	69,300
Consultancy fees	100,034	41,497	71,460	40,360
Bank charges	391	259	295	244
Sundries	26	26	13	13
	373,024	368,018	**318,628**	347,683

7. Expenditure on charitable activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Provision of facilities	1,124,844	1,192,625	1,100,764	1,168,545
Governance costs (See note 8)	22,800	21,780	18,000	17,160
Interest payable	54	-	-	-
	1,147,698	1,214,405	**1,118,764**	1,185,705

All the above costs are support costs.

Governance costs represent auditors' remuneration only.

8. Net income/(expenditure) for the year

Net income/(expenditure) for the year is stated after charging:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Depreciation of fixed assets - owned	1,124,844	1,192,625	1,100,764	1,168,545
Auditors' remuneration (including VAT):	22,800	21,780	18,000	17,160

9. Staff costs

The Group does not have any employees. Its trustees are responsible for the governance of the Group and give their time freely. Volunteers, including employees of The Sarjudas Foundation and BAPS Charities, "manage" the day-to-day operations of the Group. Whilst the nature of the volunteers' time is not considered general, the monetary value of their time is not considered material and thus not recognised in the accounts.

10. Trustees' remuneration and expenses

Neither the Charity trustees nor the directors of the subsidiary were paid any remuneration, nor did they receive any other benefits from employment with the Group in the year (2022: £nil). No Charity trustee received payment for professional or other services supplied to the Charity, nor received reimbursed expenses. (2022: £nil).

No trustee expenses were incurred in the year (2022: £nil).

11. Taxation

The group is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Group	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	73,572,102	298,688	73,870,790
Additions	-	337,689	337,689
Reclassification	(555,791)	-	(555,791)
At end of the year	73,016,311	**636,377**	73,652,688
Depreciation			
At start of the year	18,747,600	-	18,747,600
Charge for the year	1,124,844	-	1,124,844
Reclassification	(45,389)	-	(45,389)
At end of the year	19,827,056	-	19,827,056
Net Book Values:			
At end of the year	**53,189,255**	**636,377**	**53,825,632**
At start of the year	54,824,502	298,688	55,123,190

Included in cost or valuation of land and buildings is freehold land of £1,128,373 (2022 - £959,173) which is not depreciated.

During the year, the Charity reclassified one of its properties; a tangible fixed asset began being let to earn rental income. Upon the reclassification of the tangible fixed asset to an investment property, the Charity assessed and was satisfied with its fair valuation.

12. Tangible fixed assets (Cont'd)

Charity

	Freehold Property	Assets under construction	Total
	£	£	£
Cost			
At start of the year	71,852,102	298,688	72,150,790
Additions	-	337,689	337,689
Reclassification	(555,791)	-	(555,791)
At end of the year	71,296,311	636,377	71,932,688
Depreciation			
At start of the year	18,699,440	-	18,699,440
Charge for the year	1,100,764	-	1,100,764
Reclassification	(45,389)	-	(45,389)
At end of the year	19,754,815	-	19,754,816
Net Book Values:			
At end of the year	**51,451,495**	**636,377**	**52,177,872**
At start of the year	53,152,662	298,688	53,451,350

13. Investment properties

	The Group		The Charity	
	2023	2022	2023	2022
	£	£	£	£
Market value				
At start of the year	30,898,020	28,322,585	24,896,062	28,322,585
Additions	7,925	8,541,757	-	2,539,800
Revaluation	-	(170,899)	-	(170,899)
Reclassification	510,402	(5,795,423)	510,402	(5,795,423)
At end of the year	**31,416,347**	**30,898,020**	**25,406,464**	24,896,063

Investment properties with an original cost of £26.539m have been valued at £31.46m by the trustees.
The trustees of the Group performed an assessment of the market value of its investment properties at the year-end.

The trustees reviewed the presentation of the Brandon House property at 31 December 2020. They reassessed the presentation and considered it a mixed-use asset, the investment part of which is recognised at year-end fair value (see Note 14 below).

14. Mixed-use assets

	The Group		The Charity	
	2023	2022	2023	2022
	£	£	£	£
Fair value				
At start of the year	10,000,000	10,000,000	-	-
At end of the year	**10,000,000**	**10,000,000**	-	-

The trustees of the group reviewed the fair value of the element of the Brandon House property which is used for investment purposes at 31 December 2020. An informal valuation from a RICS-accredited property advisor at this date attributed a fair value of £10m to the proportion of the building let commercially, and the gain in value was recognised in the SOFA.

The trustees of the group performed an assessment of the market value of this property at 31 December 2023 and did not consider a revaluation necessary.

15. Investments in subsidiaries

Nilkanth Estates controls 100% of a charitable company, Brandon House Limited (Reg. Charity no. 1172517 and Company no. 10612051), which was incorporated in England and Wales on 9 February 2017. Brandon House Limited is a company limited by guarantee. It owns three light industrial units and Beddington Conference Centre ('BCC'). The industrial units have been rented out to a single tenant on a 10-year lease at an initial rent of £200,000 for the first year rising to £400,000 from the second year with rent review after 5 years.

A summary of the financial statements of the Charity's subsidiary, Brandon House Limited is shown below:

Statement of financial activities

	2023	2022
Income and Endowments from:	£	£
Donations and legacies	-	7,200,000
Investment income	523,984	399,999
Total income	523,984	7,599,999
Expenditure:		
- on raising funds	(83,328)	(49,037)
Total expenditure	(83,328)	(49,037)
Net income	**440,656**	7,550,963

Balance sheet

	2023	2022
	£	£
Tangible assets	1,647,760	1,671,840
Investment properties	6,009,882	6,001,956
Mixed use assets	10,000,000	10,000,000
Current assets	808,583	1,638,929
Creditors due within one year	(96,982)	(84,138)
Creditors due after more than one year	(6,913,251)	(8,213,251)
Net assets	**11,455,992**	11,015,336

16. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year:				
Trade Debtors	19,768	19,002	-	-
Other debtors	166,301	166,301	-	-
VAT recoverable	-	1,200,000	-	-
Loans receivable	2,200,000	-	2,200,000	-
Prepayments & accrued income	-	646,740	-	646,740
	2,386,069	2,032,043	**2,200,000**	646,740
Amounts falling due after more than one year:				
Concessionary loan	-	-	6,634,251	7,934,251
Aggregate amounts	**2,386,069**	2,032,043	**8,834,251**	8,580,991

Nilkanth Estates provided a loan to its subsidiary, Brandon House Limited, of £8,201,331 in 2017 for the purchase of the subsidiary's property and to further both entities' charitable objectives. The loan: incurred interest at 3% per annum up until 31 December 2020 after which loan became interest free; is secured against the property; is repayable on demand, though the parent Charity has provided assurances that it will not be repayable until at least one year from 31 December 2023.

The Charity also provided a loan of £2.2m to the Sarjudas Foundation during the year, in furtherance of the charitable objects of Nilkanth Estates. The loan was interest-free, unsecured and repayable on demand. As detailed in Note 23, the loan was repaid in full after the year-end.

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	246,163	263,728	231,289	251,266
Other creditors	92,175	97,006	10,141	29,950
Accruals	-	4,620	-	-
VAT payable	76	-	-	-
	338,414	365,354	**241,430**	281,216

18. Funds

	The Group		The Charity	
	2023	2022	2023	2022
	£	£	£	£
Unrestricted funds				
At start of the year	100,368,505	88,216,830	89,074,168	84,473,457
Incoming resources	1,554,189	9,904,998	1,030,205	2,304,999
Resources expended	(1,520,722)	(1,582,423)	(1,437,392)	(1,533,388)
Gain on revaluation of fixed assets	-	3,829,100	-	3,829,100
At end of the year	**100,401,972**	**100,368,505**	**88,666,981**	89,074,168

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Net income for the reporting period as per statement of financial activities)	33,467	12,151,674	(407,187)	4,600,711
Depreciation	1,124,844	1,192,625	1,100,764	1,168,545
(Gain)/loss on investments	-	170,899	-	170,900
(Gain)/loss on revaluation of fixed assets	-	(4,000,000)	-	(4,000,000)
Profit on disposal of tangible fixed assets	-	(322,561)	-	(322,561)
(Increase)/decrease in debtors	(354,026)	(1,799,302)	(253,290)	(96,740)
(Decrease)/increase in creditors	(26,938)	234,766	(39,874)	230,053
Net cash provided by/(used in) operating activities	**777,347**	7,628,101	**400,413**	1,750,908

20. Related party transactions

The Group has provided operational and investment properties with a carrying value of £44.60m to The Sarjudas Foundation (and its wholly owned subsidiaries and group undertakings) and BAPS Charities rent-free, for a nominal rent amount, or on an arm's length basis. As detailed in Note 16 above, the Charity provided the Sarjudas Foundation with an interest-free, unsecured £2.2m loan during the year. The Sarjudas Foundation and BAPS Charities have the same aims and objectives and the same beneficiaries as Nilkanth Estates. There are also common trustees/directors among the three entities.

Brandon House Limited also received unrestricted donations amounting to £Nil (2022: £7.2m) from The Sarjudas Foundation during the year.

In 2017, Nilkanth Estates provided a concessionary loan of £8,271,331 to Brandon House Limited, its wholly-controlled subsidiary. Of this loan, £8,201,331 was used to fund the purchase of the investment property held by this company. Interest on the loan was charged at 3% per annum up until 31st December 2020, and has been interest free since. The loan is repayable on an indeterminate period.

Nilkanth Estates has also provided financial support to Brandon House Limited so that the latter remains a going concern.

	2023	2022
	£	£
Balance receivable from Brandon House Ltd	**9,213,251**	9,213,251
Impairment provision	**(279,000)**	(279,000)
Repayment	**(2,300,000)**	(1,000,000)
	6,634,251	7,934,251

21. Post Balance-sheet events

- In April 2024, the £2.2m loan to the Sarjudas Foundation (detailed in Note 16 above) was repaid in full. The same amount was subsequently granted to the Sarjudas Foundation in furtherance of the Charity's objects.

  In August 2024 a grant of £1,025,000 was received from Sarjudas Foundation for purchase of property: 9-17 Shenley Avenue, Ruislip HA4 6BP. The property was purchased on 16th August 2024.

- After the year end, Nilkanth Investments Limited was formed as a wholly-owned subsidiary of Nilkanth Estates. The intention, subject to the advice of its professional advisers, is that the company would be used to carry out the development of the property at Old Gloucester Street.

22. Legal status of the Charity and its Subsidiary

The Charity is a company limited by guarantee and has no share capital. Its registered office address is 1 Pramukh Swami Road, Neasden, London NW10 8HW. In the event of a winding up of the company, the liability of the trustees who are also the members of the company is limited to £1.

Its subsidiary, Brandon House Limited, is also a company limited by guarantee, has no share capital and is also a registered Charity. Nilkanth Estates is the sole member of Brandon House Limited and the former's liability in the event of a winding up is limited to £1. The registered office address of the Subsidiary is Brandon House, 104 College Road, Harrow HA1 1BQ.

NILKANTH ESTATES

England & Wales - Charity number 1148431

Accounts

REGISTERED COMPANY NUMBER: 08154119 (England and Wales)
REGISTERED CHARITY NUMBER: 1148431

Group Strategic Report, Report of the Trustees and Audited Consolidated Financial Statements

For the year ended 31st December 2022

for

NILKANTH ESTATES

Nilkanth Estates

Contents of the Consolidated Financial Statements
For the year ended 31st December 2022

	Pages
Report of the Trustees (including Group Strategic Report)	1
Report of the Independent Auditors	10
Consolidated and Charity Statement of Financial Activities	14
Consolidated and Charity Balance Sheets	15
Consolidated and Charity Cash Flow Statement	16
Notes to the Consolidated financial statements	17 – 27

Report of the Trustees (including Group Strategic Report)
For the year ended 31st December 2022

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, Strategic Report and the audited financial statements of Nilkanth Estates (the 'Charity' or 'Company') and the group for the year ended 31st December 2022.

Nilkanth Estates (company number 08154119, incorporated in England on 24 July 2012) and its wholly-controlled subsidiary, Brandon House Limited (company number 10612051, incorporated in England on 9 February 2017), are both charitable organisations established as companies limited by guarantee. The Charity is based in the UK and has its head office in Neasden, London.

OBJECTIVES AND ACTIVITIES

The group's purposes, as set out in the Objects clause contained in the Charity's and its subsidiary's Memorandum of Association are:

1. to advance the Akshar Purushottam Swaminarayan denomination of the Hindu religion based upon the teachings and principles of Bhagwan Swaminarayan; and to foster the practice and worship of the Akshar Purushottam Swaminarayan denomination of the Hindu religion as revealed by Bhagwan Swaminarayan;

2. preserve and safeguard the health of all persons and in particular of young persons who are in danger of becoming addicted to or dependent upon illegal drugs of any description, alcohol, solvents or other addictive substances; advance education for the public benefit;

3. promote community participation in healthy recreation so as to develop participants' physical, mental and spiritual capacities; and

4. for those purposes without prejudice to the generality of the foregoing, to allow other charities having similar objects to occupy any of its premises at nil or nominal rent.

Our aims fully reflect the purposes that the group was set up to further.

Ensuring our work delivers our aims

The trustees review the aims, objectives and activities of the Charity each year. This review looks at what the Charity has achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers

The Charity is run by its trustees and other volunteers who give their time freely in the day-to-day management of the Charity.

GROUP STRATEGIC REPORT

Achievement and performance

Nilkanth Estates own and manage a debt-free diverse property portfolio with a carrying value of £96.74 million, of which properties with a net book value of £53.5 million are used for charitable purposes specifically for use by Bochasanwasi Shri Akshar Purshottam Sanstha 'BAPS' in the advancement of our common objectives. Properties valued at £43.24 million are held for investment purposes. Our expenditure objective is two-fold:

- increase investment income by increasing our property portfolio in order to support the operating costs where required by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith;

- to fund the acquisition and development of properties for use by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith.

The properties held for investment purposes are predominantly residential properties and a property which was used as a private Hindu faith-based school has ceased its activities. This property therefore has now been reclassified from investment property to a freehold property. The Trustees are considering alternative use of this property.

The properties held as tangible fixed assets are those provided by the Charity to BAPS for use across the country as temples, assembly halls and ancillary purposes. In addition, there are a number of residential properties which are held to provide accommodation for full-time volunteers, priests and overseas visitors.

Two investment properties were damaged by fire during the year. Due to significant damage major restoration works are being carried out on these properties.

Charitable activities

During the year, the Group achieved its aims and objectives by providing properties with a carrying value of £53.5 million rent-free to BAPS and The Sarjudas Foundation (and its wholly-owned subsidiaries and group undertakings). Both these charities have the same aims and objectives as Nilkanth Estates.

The properties provided by the Group to BAPS include Mandirs situated in:

Neasden, London	Coventry	Chigwell, London	Havant
Leeds	Leicester	Loughborough	Luton
Manchester	Birmingham	Preston	Southend-On-Sea
South London	Wellingborough		

The activities undertaken at the above properties further the Charity's common aims and objectives for the public benefit and include a variety of weekly activities, spiritual forums for children and adults, courses in ethnic language, music, and dance, and events which cultivate personal talents and interpersonal skills and promote the strengthening of relationships within communities and families.

Financial review

The Group is funded by the following main activities:

(i) Rental income
(ii) Donations received
(iii) Treasury management.

The Group funds its expenditure from rental income derived from its investment property portfolio and has the freedom to spend both income and capital. The Group holds cash balances to manage fluctuations in cash flow.

In 2022, the Group received donations of £7.2m from Sarjudas Foundation, a registered Charity with similar aims and objectives as the Charity (2021 -£Nil) and after net investment income of £1.461m (2021 - £1.321m), depreciation costs on its fixed asset properties and governance costs of £1.214m (2021 - £1.080m), and net gains on the revaluation of fixed assets of £3.8m (2021 - £540,000), the Group's retained net income for year was £12.15m (2021 – £1.246m) and accumulated reserves at the year-end were £100.368m (2021 - £88.217m).

During 2022, the Group spent a total of approximately £1.867m (2021 - £1.251m) on operating costs. Four properties were acquired during the year.

Fundraising activities
Neither the Group nor the Charity undertake any public fundraising activities.

Investment performance
In 2022, the Group's property investment portfolio valued at £24.896m (cost - £19.687m) generated a total return of c.4% on value which the trustees consider is reasonable for its property portfolio and broadly around market expectations.

Liability Insurance
The Group purchases trustee liability insurance on behalf of the trustees to protect them against claims that may arise from the performance of their charitable duties.

Reserve Policy
The Trustees review reserves annually. Their policy is to hold enough cash reserves to meet the operating costs of the Group for at least one year. Surplus funds from donations and rental income are accumulated and used to build new temples or maintain existing ones.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect on-going work programme; and
- to allow the Group to meet its objectives

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- period of time required to re-establish income streams;
- period of time required to downsize the Group operations;
- whether there is adequate control over budgets
- potential decrease in the value of the investment portfolio; and
- requirements for a reasonable level of working capital.

The Group's operating expenditure does not normally exceed £400,000 per annum. The Trustees are of the view that maintaining free reserves, which are considered total unrestricted funds less those funds represented by operational and investment fixed assets, of at least three times this amount, i.e. £1.2m, will provide sufficient resources in the event of adverse conditions. As at 31 December 2022, the Group's free reserves amounted to £2.68m. The Charity holds surplus reserves to fund the future purchase of additional properties for use in furtherance of its charitable objectives.

The Trustees have confirmed that, after careful review of the reserves policy, as at 31 December 2022, the Group's free reserves were in excess of its reserves policy. In considering the adequacy of the reserves, the Trustees have taken into account the largely discretionary nature of its expenditure and the amount of cash held and investment income derived.

Principal risks and uncertainties

The main risks for the Group are:

- generation of rental income from its investment properties to fund its own operating costs and support the operations of other charities with common objects and activities. Income from letting its investment properties is dependent on the economic cycles, including their impact on tenant covenant quality, interest rates, inflation, property values and environmental and health and safety measures and its compliance. The Group typically acquires properties in areas which its trustees believe can be readily let at reasonable income levels and with little risk of void periods. The trustees regularly carry out maintenance of its properties to comply with health and safety obligations and to ensure that its properties do not fall into a state of disrepair.

- The Group relies on donations from Sarjudas Foundation to supplement its rental income surpluses in order to be able to finance the acquisition of both investment properties and properties acquired by the Charity and made available for use by BAPS and other charities with similar aims and objectives. Sarjudas Foundation is an established Charity and the trustees see no reason why donations from that Charity may cease, however, the Group has an unencumbered investment property portfolio with a value of £31.8m and could easily gear up with debt to finance further property acquisitions should donations from Sarjudas Foundation ease.

Financial and risk management objectives and policies

The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of the Group. In doing so, the Board has considered the major risks to which the Group is exposed, the potential impact and probability associated with each risk, and the mitigating actions needed to reduce each risk to a level that the Trustees considers to be acceptable.

The major financial risks are each subject to ongoing monitoring and management. Income and cost control are subject to ongoing review on at least a quarterly basis with prior approval of the Board needed for significant cost activities.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Such credit risk would arise primarily from trade and other receivables. The Group's trade debtors are minimal and other debtors relate to payments on account of construction work on certain of its existing properties. Consequently, the Group considers its credit risk to be minimal. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group has no debt or other significant financial obligations and maintains sufficient liquid cash resources to meet its operating cash flows.

(c) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group has no interest-bearing borrowings and as such has no exposure to interest rate risk. As the Group has no significant interest-bearing financial assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group 's interest bearing financial assets are mainly short term in nature.

Internal Control
The Trustees have overall responsibility for ensuring that the Group has appropriate systems of internal controls across the entire organisation.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Production of monthly management accounts and review of financial results and performance indicators by the Trustees at monthly meetings.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Future plans
Nilkanth Estates continue to seek suitable investment properties to develop its portfolio.

With the support of donations from Sarjudas Foundation and surplus rental income from its investment properties, the Group intends to acquire further investment properties and support the activities of BAPS who share common aims and objectives.

Subsidiary Undertaking:
Nilkanth Estates also holds wholly-controlled subsidiary, Brandon House Limited. Brandon House Limited has same objects as the Nilkanth Estates. Brandon House Limited holds a mixed-use assets, Brandon House, part of which is rented out commercially and thus accounted for as an investment, and part of which is used for operational purposes and thus accounted for as a tangible fixed asset. The principal risks are similar to the ones highlighted for the group in the section below.
Brandon House Limited purchased an investment property of £6m during the year. The Charitable company also received donations of £7.2m from Sarjudas foundation in the year.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing document

Nilkanth Estates is a registered Charity (number 1148431) under the Charities Act 2011 and is a charitable organisation incorporated in England on 24 July 2012 as a company limited by guarantee under Company number 08154119. The Charity is controlled by its governing document, Memorandum and Articles of Association.

Trustees

There were 3 trustees during the year. The trustees have responsibility for meeting the Group's charitable obligations and objectives. Changes in Trustees during the year are provided below.

Under the requirements of the Memorandum and Articles of Association of the Charity, trustees are elected to serve for a period of three years after which they must be re-elected. Subject to article 20A, the trustees may appoint new and additional trustees by a resolution of the Trustees passed at a Trustee meeting. These individuals work alongside existing Trustees for a period of three years before being considered for appointment. Ongoing training is received by the trustees through attendance at courses and being provided with relevant information from various resources, as required.

All trustees give their time voluntarily and receive no remuneration or benefits from the Charity. As the trustees are the key management personnel of the Charity and are not remunerated, there is no remuneration policy for key management personnel.

Operation

The Board of Trustees, which can have up to 7 members, administers the Group. There is one full time trustee (Mr G P Patel) who is supported by two full-time administrators appointed by the trustees to manage the day-to-day operations of the Group. To facilitate effective operations, the administrators have delegated authority, within terms of the delegation approved by the trustees, for operational matters such as finance.

Most trustees are already familiar with the practical work of the Group having been involved in various activities themselves as volunteers. Additionally, new trustees are invited and encouraged to attend a series of training sessions to familiarise themselves with the Group and the context within which it operates. These are jointly led by the Chair of the Board of Trustees.

All trustees give their time voluntarily and receive no remuneration or benefits from the Group.

Attendance at board meetings

The board meets when necessary but seeks to meet fortnightly at least. During the year, all trustees attended 100% of all meetings.

Report of the Trustees
For the year ended 31st December 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report, the Group Strategic Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice on Accounting and Reporting;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

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

Statement as to Disclosure of Information to Auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Public benefit

The trustees are mindful of the Charity Commission's guidance on public benefit 'Charities and Public Benefit' and, in particular the supplementary guidance for charities whose aims include advancing religion 'The Advancement of Religion for the Public Benefit' and have regard to that guidance when reviewing the Group 's aims and objectives and in planning future activities.

We are confident that, by providing financial resources to support the work of BAPS and other similar charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith, we help to promote the faith more effectively, at a national level, and in individual centres, and that in doing so provide a benefit to the public by:

- providing facilities for public worship, spiritual, moral and intellectual development both those who wish to benefit from what the what the Group offers; and

- through its support of BAPS, promoting Hindu values and service by members of BAPS in and to their communities, to the benefit of individuals and society as a whole.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Related parties and relationships with other organisations
Nilkanth Estates is related to both Sarjudas Foundation and BAPS Swaminarayan Sanstha, and there are a number of trustees in common, and all three charities share the same objectives. In 2022, the Charity received a donation of £7.2m (2021 - £Nil) from Sarjudas Foundation and continued to provide BAPS with premises from which to hold congregations etc in the advancement of their objectives.

BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable.

Reference and administrative details

Registered Company number:	08154119 (England and Wales)
Registered Charity number:	1148431
Trustees:	Mr. G.P Patel - Accountant Mr. S J Kara - Director of Strategic Alliances – IT Services Mr K Bhattessa - Hotelier
Country of registration:	England
Auditors:	MHA Sixth floor 2 London Wall Place London EC2Y 5AU
Principal Bankers:	The Royal Bank of Scotland plc 354 Station Road Harrow HA1 3XZ Punjab National Bank (International) Limited 188 Ealing Road Wembley HA0 4QD

Solicitors:	Hugh Cartwright & Amin 12 John Street London WC1N 2EB

AUDITORS

The auditors, MHA, will be proposed for re-appointment at the forthcoming Annual General Meeting following their appointment during the year.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 25 September 2023 and signed on the board's behalf by:

.....
K. G. Bhattessa - Trustee

Report of the Independent Auditors
For the year ended 31st December 2022

Opinion

We have audited the financial statements of Nilkanth Estates (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, 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 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 group's and parent charitable company's affairs as at 31 December 2022, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of their future investment strategy and expected investment income.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

The 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 (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 included in the Trustees' Annual Report, the Trustees (who are also the Directors of the 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 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of those charged with governance concerning any instances of known or suspected instances of fraud;
- Enquiry of those charged with governance concerning actual and potential litigation and claims;
- Enquiry of those charged with governance concerning any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of this report

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

Report of the Independent Auditors
For the year ended 31st December 2022



Sudhir Singh FCA (Senior Statutory Auditor)
For and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 29 September 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Consolidated and Charity Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31st December 2022

	Notes	The Group – unrestricted funds 2022	2021	The Charity - unrestricted funds 2022	2021
		£	£	£	£
Income from:					
Donations and legacies	3	**7,661,452**	-	**461,452**	-
Investment income	4	**1,461,097**	1,320,930	**1,061,098**	1,054,262
Other	5	**782,449**	636,871	**782,449**	636,871
Total income		**9,904,998**	1,957,801	**2,304,999**	1,691,133
Expenditure on:					
Raising funds	6	**368,018**	171,369	**347,683**	159,779
Charitable activities:					
- Provision of facilities	7	**1,214,405**	1,079,971	**1,185,705**	1,051,577
Total expenditure		**1,582,423**	1,251,340	**1,533,388**	1,211,356
Net income before net losses on investments	8	**8,322,575**	706,461	**771,611**	479,777
Gains on revaluation and reclassification of fixed assets	12/13	**3,829,100**	540,000	**3,829,100**	540,000
Net movement in funds		**12,151,675**	1,246,461	**4,600,711**	1,019,777
Funds brought forward		**88,216,830**	86,970,369	**84,473,457**	83,453,680
Funds carried forward	18	**100,368,505**	88,216,830	**89,074,168**	84,473,457

The total funds of the Company were unrestricted. There were no restricted or designated funds during the year or for the previous year.

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

The appended notes for part of these accounts.

Company number 08154119

Consolidated and Charity Balance Sheets
as at 31 December 2022

	Notes	The Group 2022 £	The Group 2021 £	The Charity 2022 £	The Charity 2021 £
Fixed assets:					
Tangible assets	12	**55,123,190**	46,607,802	**53,451,350**	44,911,881
Investment properties	13	**30,898,020**	28,322,585	**24,896,063**	28,322,585
Mixed use assets	14	**10,000,000**	10,000,000	-	-
		96,021,210	84,930,387	**78,347,413**	73,234,466
Current assets:					
Debtors	16	**2,032,043**	232,741	**8,580,991**	8,484,251
Cash at bank and in hand		**2,680,606**	3,184,290	**2,426,980**	2,805,903
		4,712,649	3,417,031	**11,007,971**	11,290,154
Liabilities:					
Creditors: amounts falling due within one year	17	**(365,354)**	(130,588)	**(281,216)**	(51,163)
Net current assets		**4,347,295**	3,286,443	**10,726,755**	11,238,991
Total assets less current liabilities		**100,368,505**	88,216,830	**89,074,168**	84,473,457
Total net assets		**100,368,505**	88,216,830	**89,074,168**	84,473,457
Funds:					
Unrestricted income funds	18	**100,368,505**	88,216,830	**89,074,168**	84,473,457
Total funds		**100,368,505**	88,216,830	**89,074,168**	84,473,457

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The appended notes form part of these accounts.

The financial statements were approved by the Board of Trustees on 21 September 2023 and were signed on its behalf by:

K. G. Bhattessa
Trustee

G. P. Patel
Trustee

Consolidated and Charity Statement of Cash Flows
For the year ended 31 December 2022

	Notes	The Group 2022 £	2021 £	The Charity 2022 £	2021 £
Net cash provided by/ operating activities	19	**7,628,102**	1,289,909	**1,750,908**	1,535,967
Cash flows from investing activities:					
Dividends, interest, and rents received from investments		-	-	-	-
Purchase of tangible fixed assets		**(62,966)**	(223,375)	**(62,966)**	(223,374)
Purchase of investment property		**(8,541,756)**	(1,466,323)	**(2,539,801)**	(1,466,323)
Proceeds from sale of F/H Property		**472,936**	907,808	**472,936**	907,808
Net cash provided by/(used in) investing activities		**(8,131,786)**	(781,890)	**(2,129,831)**	(781,889)
Change in cash and cash equivalents in the year		**(503,684)**	508,019	**(378,923)**	754,078
Cash and cash equivalents at the beginning of the year		**3,184,290**	2,676,271	**2,805,903**	2,051,825
Cash and cash equivalents at the end of the year		**2,680,606**	3,184,290	**2,426,980**	2,805,903

ANALYSIS OF CHANGES IN NET DEBT

Group	As at 01 January 2022 £	Cash flows £	As at 31 December 2022 £
Cash at bank and in hand	3,184,290	(503,684)	2,680,606
	3,184,290	**(503,684)**	**2,680,606**
Charity			
Cash at bank and in hand	2,805,903	(378,923)	2,426,980
	2,805,903	**(378,923)**	**2,426,980**

1. Accounting policies

(a) Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) '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) (issued in October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The functional and presentation currency is UK Pound Sterling (£).

These financial statements consolidate the results of the Charity and its wholly-controlled subsidiary on a line by line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the Charity's balance sheet.

(b) Public benefit entity

The Charity and its wholly-controlled subsidiary meet the definition of a public benefit entity under Charities SORP (FRS 102).

(c) Going concern

The majority of the income received from by the Group is investment income from its investment property portfolio which are let to social housing providers. The Group has continued to receive income based on its investment in properties over the years. The Charity has minimal on-going legal or constructive commitments. There are no uncertainties, material or otherwise, regarding the Group's going concern.

The trustees therefore have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future which exceeds 12 months from the date of signing of the financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

(d) Income

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Voluntary income comprises revenues generated from various forms of donations.

Investment income includes income generated from property investment and interest received on cash deposits.

(e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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.

1. Accounting policies (continued)

(f) 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 is classified under the following activity headings:

- Costs of raising funds relate to the investment management costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Charity and their associated support costs including governance costs and depreciation of tangible fixed assets.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

(g) Allocation of support costs

All support costs are allocated to the expenditure on charitable activities as none of these costs are allocable to the costs of raising funds, which are the investment management costs.

Support costs include governance costs, which are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the group's activities.

(h) Taxation

The group is exempt from corporation tax on its charitable activities.

(i) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 2% on cost

Freehold land is not depreciated.

(j) Investment properties

Investment properties are measured at fair value at each reporting date and are not depreciated.

Cash investments

Cash held in fixed term deposit accounts exceeding one year are classified as fixed asset investments as they are generally held with the overall intention of long term retention for the continuing benefit of the group in the form of income and capital appreciation.

(k) Debtors

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

1. Accounting policies (continued)

Loans which have been provided with an interest rate below the market rate and for charitable purposes are deemed concessionary loans.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(m) Creditors and provisions

Creditors and provisions are recognised where the group 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.

The group 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 amortised cost using the effective interest method.

(n) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investment Properties

Investment properties whose fair value can be measured reliably without undue cost or effort should be measured at fair value at the year end with any changes in fair value recognised in the statement of financial activities.

The investment properties have been valued by the trustees at the period-end based on their knowledge of the properties and their location and having conducted informal market research considering comparable properties. Following their assessment, they have concluded that there has been no material change in the fair value since the previous valuation, with the exception of one investment property whose fair value is considered to have increased by £2.6m since the previous year-end, following an independent valuation by RICS-accredited chartered surveyor. A change in the assumptions used by the trustees may result in a change in the value of investment properties.

2. Critical accounting estimates and judgements, continued

Freehold Property
The Group and the Charity hold freehold land and buildings. The freehold buildings are depreciated over a period of 50 years whilst land is not depreciated as its value is not likely to diminish over time.

The Group carries out regular maintenance of its freehold properties and therefore it is likely that the useful lives of the property may exceed 50 years.

The trustees have been required, in the absence of a split of purchase cost, to estimate the allocation of the cost of these properties between the relative elements attributable to land, which is not depreciated, and buildings. Having consulted with property professionals, considered statutory provisions, and researched market factors, the trustees consider 30% of the acquisition cost of each tangible fixed asset to represent land and 70% to represent buildings. As such, 30% of the cost of each tangible fixed asset property is not depreciated.

3. Income from donations and legacies

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Donations	7,661,452	-	461,452	-

4. Income from investments

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Rental income – operating leases	1,461,097	1,320,930	1,061,098	1,054,262
	1,461,097	1,320,930	**1,061,098**	1,054,262

5. Other Income

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Profit on disposal of fixed assets	322,561	636,871	322,561	636,871
Insurance income	459,888	-	459,888	-
	782,449	636,871	**782,449**	636,871

6. Cost of raising funds – investment management costs

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Rates	(837)	412	324	-
Gas and electricity	53,737	16,873	37,062	7,651
Repairs and maintenance	200,380	75,146	200,380	75,146
Insurance	72,956	57,335	69,300	55,435
Consultancy fees	41,497	20,958	40,360	20,958
Bank charges	259	469	244	426
Sundries	26	176	13	163
	368,018	171,369	**347,683**	159,779

7. Expenditure on charitable activities

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Provision of facilities	1,192,625	1,050,752	1,168,545	1,026,672
Governance costs (See note 8)	21,780	29,219	17,160	24,905
	1,214,405	1,079,971	**1,185,705**	1,051,577

All the above costs are support costs.

Governance costs represent auditors' remuneration only.

8. Net income/(expenditure) for the year

Net income/(expenditure) for the year is stated after charging:

	Group		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Depreciation of fixed assets - owned	1,192,625	1,050,752	1,168,545	1,026,672
Auditors' remuneration (including VAT):	21,780	29,219	17,160	24,905

9. Staff costs

The Group does not have any employees. Its trustees are responsible for the governance of the Group and give their time freely. Volunteers, including employees of The Sarjudas Foundation and BAPS Charities, "manage" the day-to-day operations of the Group. Whilst the nature of the volunteers' time is not considered general, the monetary value of their time is not considered material and thus not recognised in the accounts.

10. Trustees' remuneration and expenses

Neither the Charity trustees nor the directors of the subsidiary were paid any remuneration, nor did they receive any other benefits from employment with the Group in the year (2021: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2021: £nil).

No trustee expenses were incurred in the year (2021: £nil).

11. Taxation

The group is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Group	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	64,152,525	235,722	64,388,247
Additions	-	62,966	62,966
Disposals	(298,834)	-	(298,834)
Reclassification	9,718,411	-	9,718,411
At end of the year	73,572,102	**298,688**	73,870,790
Depreciation			
At start of the year	17,780,446	-	17,780,446
Charge for the year	1,192,625	-	1,192,625
Disposals	(148,459)	-	(148,459)
Reclassification	(77,012)	-	(77,012)
At end of the year	18,747,600	-	18,747,600
Net Book Values:			
At end of the year	**54,824,502**	**298,688**	**55,123,190**
At start of the year	46,372,080	235,722	46,607,801

Included in cost or valuation of land and buildings is freehold land of £959,173 (2021 - £959,173) which is not depreciated.
During the year, the Charity reclassified three of its properties; two tangible fixed assets began being let to earn rental income, and one investment property started being used to further the Charity's objectives. Upon the reclassification of the investment property to a tangible fixed asset, the Charity assessed its fair valuation with the assistance of a RICS-accredited charted surveyor. As a result of this assessment, a gain on reclassification of £4,000,000 has been recognised in these accounts.

12. Tangible fixed assets (Cont'd)

Charity	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	62,432,525	235,722	62,668,247
Additions	-	62,966	62,966
Disposals	(298,834)	-	(298,834)
Reclassification	9,718,411	-	9,718,411
At end of the year	71,852,102	298,688	72,150,790
Depreciation			
At start of the year	17,756,366	-	17,756,366
Charge for the year	1,168,545	-	1,168,545
Disposals	(148,459)	-	(148,459)
Reclassification	(77,012)	-	(77,012)
At end of the year	18,699,440	-	18,699,440
Net Book Values:			
At end of the year	**53,152,662**	**298,688**	**53,451,350**
At start of the year	44,676,159	235,722	44,911,881

13. Investment properties

	The Group		The Charity	
	2022 £	2021 £	**2022** £	2021 £
Market value				
At start of the year	28,322,585	26,316,262	28,322,585	26,316,262
Additions	8,541,757	1,466,323	2,539,801	1,466,323
Revaluation	(170,899)	540,000	(170,899)	540,000
Reclassification	(5,795,423)	-	(5,795,423)	-
At end of the year	**30,898,020**	28,322,585	**24,896,064**	28,322,585

Investment properties with an original cost of £26.539m have been valued at £30.898m by the trustees.
The trustees of the Group performed an assessment of the market value of its investment properties at the year-end.

The trustees reviewed the presentation of the Brandon House property at 31 December 2020. They reassessed the presentation and considered it a mixed-use asset, the investment part of which is recognised at year-end fair value (see Note 14 below).

14. Mixed-use assets

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Fair value				
At start of the year	10,000,000	10,000,000	-	-
At end of the year	**10,000,000**	**10,000,000**	-	-

The trustees of the group reviewed the fair value of the element of the Brandon House property which is used for investment purposes at 31 December 2020. An informal valuation from a RICS-accredited property advisor at this date attributed a fair value of £10m to the proportion of the building let commercially, and the gain in value was recognised in the SOFA.

The trustees of the group performed an assessment of the market value of this property at 31 December 2022 and did not consider a revaluation necessary.

15. Investments in subsidiaries

Nilkanth Estates controls 100% of a charitable company, Brandon House Limited (Reg. Charity no. 1172517 and Company no. 10612051), which was incorporated in England and Wales on 9 February 2017. Brandon House Limited is a company limited by guarantee. It owns three light industrial units and Beddington Conference Centre ('BCC'). The industrial units have been rented out to a single tenant on a 10-year lease at an initial rent of £200,000 for the first year rising to £400,000 from the second year with rent review after 5 years.

A summary of the financial statements of the Charity's subsidiary, Brandon House Limited is shown below:

Statement of financial activities

	2022	2021
Income and Endowments from:	£	£
Donations and legacies	7,200,000	-
Investment income	399,999	266,667
Total income	7,599,999	266,667
Expenditure:		
- on raising funds	(49,037)	(39,984)
Total expenditure	(49,037)	(39,984)
Net income/(expenditure)	**7,550,963**	226,683

Balance sheet

	2022	2021
	£	£
Tangible assets	1,671,840	1,695,920
Investment properties	6,001,956	-
Mixed use assets	10,000,000	10,000,000
Current assets	1,638,929	561,128
Creditors due within one year	(84,138)	(79,425)
Creditors due after more than one year	(8,213,251)	(8,713,251)
Net assets	**11,015,336**	3,464,372

16. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade Debtors	19,002	16,440	-	-
Other debtors	166,301	216,301	-	50,000
VAT recoverable	1,200,000	-	-	-
Prepayments & accrued income	646,740	-	646,740	-
	2,032,043	232,741	**646,740**	50,000
Amounts falling due after more than one year:				
Concessionary loan	-	-	7,934,251	8,434,251
Aggregate amounts	**2,032,043**	232,741	**8,580,991**	8,484,251

Nilkanth Estates provided a loan to its subsidiary, Brandon House Limited, of £8,201,331 in 2017 for the purchase of the subsidiary's property and to further both entities' charitable objectives. The loan: incurred interest at 3% per annum up until 31 December 2020 after which loan became interest free; is secured against the property; is repayable on demand, though the parent Charity has provided assurances that it will not be repayable until at least one year from 31 December 2022.

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	263,728	40,129	251,266	27,615
Other creditors	97,006	90,459	29,950	23,548
Accruals	4,620	-	-	-
	365,354	130,588	**281,216**	51,163

18. Funds

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Unrestricted funds				
At start of the year	88,216,830	86,970,369	84,473,457	83,453,680
Incoming resources	9,904,998	1,957,801	2,304,999	1,691,133
Resources expended	(1,582,423)	(1,251,340)	(1,533,388)	(1,211,356)
Gain on revaluation of fixed assets	3,829,100	540,000	3,829,100	540,000
At end of the year	**100,368,505**	88,216,830	**89,074,168**	84,473,457

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Net income for the reporting period as per statement of financial activities)	12,151,674	1,246,461	4,600,711	1,019,777
Depreciation	1,192,625	1,050,752	1,168,545	1,026,672
(Gain)/loss on investments	170,899	(540,000)	170,900	(540,000)
(Gain)/loss on revaluation of fixed assets	(4,000,000)	-	(4,000,000)	-
Profit on disposal of tangible fixed assets	(322,561)	(636,871)	(322,561)	(636,871)
(Increase)/decrease in debtors	(1,799,302)	189,557	(96,740)	684,271
(Decrease)/increase in creditors	234,766	(19,990)	230,053	(17,882)
Net cash provided by/(used in) operating activities	**7,628,101**	1,289,909	**1,750,908**	1,535,967

20. Related party transactions

The Group has provided operational and investment properties with a carrying value of £44.60m to The Sarjudas Foundation (and its wholly owned subsidiaries and group undertakings) and BAPS Charities rent-free, for a nominal rent amount, or on an arm's length basis. The Sarjudas Foundation and BAPS Charities have the same aims and objectives and the same beneficiaries as Nilkanth Estates. There are also common trustees/directors among the three entities.

Brandon House Limited also received unrestricted donations amounting to £7.2m (2021: £Nil) from The Sarjudas Foundation during the year.

20. Related party transactions (continued)

In 2017, Nilkanth Estates provided a concessionary loan of £8,271,331 to Brandon House Limited, its wholly-controlled subsidiary. Of this loan, £8,201,331 was used to fund the purchase of the investment property held by this company. Interest on the loan was charged at 3% per annum up until 31st December 2020, and has been interest free since. The loan is repayable on an indeterminate period.

Nilkanth Estates has also provided financial support to Brandon House Limited so that the latter remains a going concern.

	2022	2021
	£	£
Balance receivable from Brandon House Ltd	**9,213,251**	9,213,251
Impairment provision	**(279,000)**	(279,000)
Repayment	**(1,000,000)**	(500,000)
	7,934,251	8,434,251

21. Legal status of the Charity and its Subsidiary

The Charity is a company limited by guarantee and has no share capital. Its registered office address is 1 Pramukh Swami Road, Neasden, London NW10 8HW. In the event of a winding up of the company, the liability of the trustees who are also the members of the company is limited to £1.

Its subsidiary, Brandon House Limited, is also a company limited by guarantee, has no share capital and is also a registered Charity. Nilkanth Estates is the sole member of Brandon House Limited and the former's liability in the event of a winding up is limited to £1. The registered office address of the Subsidiary is Brandon House, 104 College Road, Harrow HA1 1BQ.

NILKANTH ESTATES

England & Wales - Charity number 1148431

Accounts

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REGISTERED COMPANY NUMBER: 08154119 (England and Wales)
REGISTERED CHARITY NUMBER: 1148431

Group Strategic Report, Report of the Trustees and Audited Consolidated Financial Statements

For the year ended 31st December 2021

for

NILKANTH ESTATES

Nilkanth Estates

Contents of the Consolidated Financial Statements
For the year ended 31st December 2021

	Pages
Trustees' Report (including Group Strategic Report)	1
Independent Auditor's Report	10
Consolidated and Charity Statement of Financial Activities	14
Consolidated and Charity Balance Sheet	15
Consolidated and Charity Cash Flow Statement	16
Notes to the Consolidated Accounts	17 – 27

Nilkanth Estates

Report of the Trustees (including Group Strategic Report) For the year ended 31st December 2021

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, Strategic Report and the audited financial statements of Nilkanth Estates (the 'Charity' or 'Company') and the group for the year ended 31st December 2021

Nilkanth Estates (company number 08154119, incorporated in England on 24 July 2012) and its wholly-controlled subsidiary, Brandon House Limited (company number 10612051, incorporated in England on 9 February 2017), are both charitable organisations established as companies limited by guarantee. The Charity is based in the UK and has its head office in Neasden, London.

OBJECTIVES AND ACTIVITIES

The group's purposes, as set out in the Objects clause contained in the Charity's and its subsidiary's Memorandum of Association are:

1. to advance the Akshar Purushottam Swaminarayan denomination of the Hindu religion based upon the teachings and principles of Bhagwan Swaminarayan; and to foster the practice and worship of the Akshar Purushottam Swaminarayan denomination of the Hindu religion as revealed by Bhagwan Swaminarayan;

2. preserve and safeguard the health of all persons and in particular of young persons who are in danger of becoming addicted to or dependent upon illegal drugs of any description, alcohol, solvents or other addictive substances; advance education for the public benefit;

3. promote community participation in healthy recreation so as to develop participants' physical, mental and spiritual capacities; and

4. for those purposes without prejudice to the generality of the foregoing, to allow other charities having similar objects to occupy any of its premises at nil or nominal rent.

Our aims fully reflect the purposes that the group was set up to further.

Ensuring our work delivers our aims
The trustees review the aims, objectives and activities of the Charity each year. This review looks at what the Charity has achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers
The Charity is run by its trustees and other volunteers who give their time freely in the day-to-day management of the Charity.

GROUP STRATEGIC REPORT

Achievement and performance

Nilkanth Estates own and manage a debt-free diverse property portfolio with a carrying value of £84.93 million, of which properties with a net book value of £44.67 million are used for charitable purposes specifically for use by Bochasanwasi Shri Akshar Purshottam Sanstha 'BAPS' in the advancement of our common objectives. Properties valued at £38.32 million are held for investment purposes. Our expenditure objective is two-fold:

- increase investment income by increasing our property portfolio in order to support the operating costs where required by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith;

- to fund the acquisition and development of properties for use by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith.

The properties held for investment purposes are predominantly residential properties and a property used as a private Hindu faith-based school which has recently ceased its activities and which the Trustees are considering alternative uses.

The properties held as tangible fixed assets are those provided by the Charity to BAPS for use across the country as temples, assembly halls and ancillary purposes. In addition, there are a number of residential properties which are held to provide accommodation for full-time volunteers, priests and overseas visitors.

Charitable activities

During the year, the Group achieved its aims and objectives by providing properties with a carrying value of £46.67 million rent-free to BAPS and The Sarjudas Foundation (and its wholly-owned subsidiaries and group undertakings). Both these charities have the same aims and objectives as Nilkanth Estates.

The properties provided by the Group to BAPS include Mandirs situated in:

Neasden, London	Coventry	Chigwell, London	Havant
Leeds	Leicester	Loughborough	Luton
Manchester	Birmingham	Preston	Southend-On-Sea
South London	Wellingborough		

The activities undertaken at the above properties further the Charity's common aims and objectives for the public benefit and include a variety of weekly activities, spiritual forums for children and adults, courses in ethnic language, music, and dance, and events which cultivate personal talents and interpersonal skills and promote the strengthening of relationships within communities and families.

The holding of congregations was prohibited during the Covid-19 pandemic as a result of which the properties provided to BAPS were used on a restricted basis. These restrictions are now being eased and it is expected that normal use will resume soon.

Financial review

The Group is funded by the following main activities:

(i) Rental income
(ii) Donations received
(iii) Treasury management.

The Group funds its expenditure from rental income derived from its investment property portfolio and has the freedom to spend both income and capital, provided the core endowment of the fund is maintained. The Group holds cash balances to manage fluctuations in cash flow.

In 2021, the Group received donations of £NIL from Sarjudas Foundation, a registered Charity with similar aims and objectives as the Charity (2020 - £1m) and after net investment income of £1.321m (2020 - £1.113m), depreciation costs on its fixed asset properties and governance costs of £1.080m (2020 - £1.038m), and net gains on the revaluation of fixed assets of £540,000 (2020 - £6.199m), the Group's retained net income for year was £1.246m (2020 – £7.02m) and accumulated reserves at the year-end were £88.217m (2020 - £86.970m).

During 2021, the Group spent a total of approximately £1.251m (2020 - £1.234m) on operating costs. Two properties were acquired during the year.

Fundraising activities
The Group nor the Charity undertake any public fundraising activities.

Investment performance
In 2021, the Group's property investment portfolio valued at £28.322m (cost - £26.316m) generated a total return of c.5% on value which the trustees consider is reasonable for its property portfolio and broadly around market expectations.

Liability Insurance
The Group purchases trustee liability insurance on behalf of the trustees to protect them against claims that may arise from the performance of their charitable duties.

Reserve Policy
The Trustees review reserves annually. Their policy is to hold enough cash reserves to meet the operating costs of the Group for at least one year. Surplus funds from donations and rental income are accumulated and used to build new temples or maintain existing ones.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect on-going work programme; and
- to allow the Group to meet its objectives

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- period of time required to re-establish income streams;
- period of time required to downsize the Group operations;
- whether there is adequate control over budgets
- potential decrease in the value of the investment portfolio; and
- requirements for a reasonable level of working capital.

The Group's operating expenditure does not normally exceed £400,000 per annum. The Trustees are of the view that maintaining free reserves, which are considered total unrestricted funds less those funds represented by operational and investment fixed assets, of at least three times this amount, i.e. £1.2m, will provide sufficient resources in the event of adverse conditions. As at 31 December 2021, the Group's free reserves amounted to £3.29m. The Charity holds surplus reserves to fund the future purchase of additional properties for use in furtherance of its charitable objectives.

The Trustees have confirmed that, after careful review of the reserves policy, as at 31 December 2021, the Group's free reserves were in excess of its reserves policy. In considering the adequacy of the reserves, the Trustees have taken into account the largely discretionary nature of its expenditure and the amount of cash held and investment income derived.

Principal risks and uncertainties

The main risks for the Group are:

- generation of rental income from its investment properties to fund its own operating costs and support the operations of other charities with common objects and activities. Income from letting its investment properties is dependent on the economic cycles, including their impact on tenant covenant quality, interest rates, inflation, property values and environmental and health and safety measures and its compliance. The Group typically acquires properties in areas which its trustees believe can be readily let at reasonable income levels and with little risk of void periods. The trustees regularly carry out maintenance of its properties to comply with health and safety obligations and to ensure that its properties do not fall into a state of disrepair.

- The Group relies on donations from Sarjudas Foundation to supplement its rental income surpluses in order to be able to finance the acquisition of both investment properties and properties acquired by the Charity and made available for use by BAPS and other charities with similar aims and objectives. Sarjudas Foundation is an established Charity and the trustees see no reason why donations from that Charity may cease, however, the Group has an unencumbered investment property portfolio with a value of £31m and could easily gear up with debt to finance further property acquisitions should donations from Sarjudas Foundation ease.

Financial and risk management objectives and policies
The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of the Group. In doing so, the Board has considered the major risks to which the Group is exposed, the potential impact and probability associated with each risk, and the mitigating actions needed to reduce each risk to a level that the Trustees considers to be acceptable.

The major financial risks are each subject to ongoing monitoring and management. Income and cost control are subject to ongoing review on at least a quarterly basis with prior approval of the Board needed for significant cost activities.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk
Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Such credit risk would arise primarily from trade and other receivables. The Group's trade debtors are minimal and other debtors relate to payments on account of construction work on certain of its existing properties. Consequently, the Group considers its credit risk to be minimal. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group has no debt or other significant financial obligations and maintains sufficient liquid cash resources to meet its operating cash flows.

(c) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group has no interest-bearing borrowings and as such has no exposure to interest rate risk. As the Group has no significant interest-bearing financial assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group 's interest bearing financial assets are mainly short term in nature.

Internal Control
The Trustees have overall responsibility for ensuring that the Group has appropriate systems of internal controls across the entire organisation.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Production of monthly management accounts and review of financial results and performance indicators by the Trustees at monthly meetings.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Future plans
Nilkanth Estates continue to seek suitable investment properties to develop its portfolio.

With the support of donations from Sarjudas Foundation and surplus rental income from its investment properties, the Group intends to acquire further investment properties and support the activities of BAPS who share common aims and objectives.

Subsidiary Undertaking:
Nilkanth Estates also holds wholly-controlled subsidiary, Brandon House Limited. Brandon House Limited has same objects as the Nilkanth Estates. Brandon House Limited holds a mixed-use assets, Brandon House, part of which is rented out commercially and thus accounted for as an investment, and part of which is used for operational purposes and thus accounted for as a tangible fixed asset. The principal risks are similar to the ones highlighted for the group in the section below.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing document

Nilkanth Estates is a registered Charity (number 1148431) under the Charities Act 2011 and is a charitable organisation incorporated in England on 24 July 2012 as a company limited by guarantee under Company number 08154119. The Charity is controlled by its governing document, Memorandum and Articles of Association.

Trustees

There were 3 trustees during the year. The trustees have responsibility for meeting the Group's charitable obligations and objectives. Changes in Trustees during the year are provided below.

Under the requirements of the Memorandum and Articles of Association of the Charity, trustees are elected to serve for a period of three years after which they must be re-elected. Subject to article 20A, the trustees may appoint new and additional trustees by a resolution of the Trustees passed at a Trustee meeting. These individuals work alongside existing Trustees for a period of three years before being considered for appointment. Ongoing training is received by the trustees through attendance at courses and being provided with relevant information from various resources, as required.

All trustees give their time voluntarily and receive no remuneration or benefits from the Charity. As the trustees are the key management personnel of the Charity and are not remunerated, there is no remuneration policy for key management personnel.

Operation

The Board of Trustees, which can have up to 7 members, administers the Group. There is one full time trustee (Mr G P Patel) who is supported by two full-time administrators appointed by the trustees to manage the day-to-day operations of the Group. To facilitate effective operations, the administrators have delegated authority, within terms of the delegation approved by the trustees, for operational matters such as finance.

Most trustees are already familiar with the practical work of the Group having been involved in various activities themselves as volunteers. Additionally, new trustees are invited and encouraged to attend a series of training sessions to familiarise themselves with the Group and the context within which it operates. These are jointly led by the Chair of the Board of Trustees.

All trustees give their time voluntarily and receive no remuneration or benefits from the Group.

Attendance at board meetings

The board meets when necessary but seeks to meet fortnightly at least. During the year, all trustees attended 100% of all meetings.

Statement of Trustees' Responsibilities
The Trustees are responsible for preparing the Trustees' Report, the Group Strategic Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice on Accounting and Reporting;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

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

Statement as to Disclosure of Information to Auditors
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Public benefit
The trustees are mindful of the Charity Commission's guidance on public benefit 'Charities and Public Benefit' and, in particular the supplementary guidance for charities whose aims include advancing religion 'The Advancement of Religion for the Public Benefit' and have regard to that guidance when reviewing the Group 's aims and objectives and in planning future activities.

We are confident that, by providing financial resources to support the work of BAPS and other similar charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith, we help to promote the faith more effectively, at a national level, and in individual centres, and that in doing so provide a benefit to the public by:

- providing facilities for public worship, spiritual, moral and intellectual development both those who wish to benefit from what the what the Group offers; and

- through its support of BAPS, promoting Hindu values and service by members of BAPS in and to their communities, to the benefit of individuals and society as a whole.

Events since the end of the year
Information relating to events since the end of the year is given in the notes to the financial statements.

Related parties and relationships with other organisations
Nilkanth Estates is related to both Sarjudas Foundation and BAPS Swaminarayan Sanstha, and there are a number of trustees in common, and all three charities share the same objectives. In 2021, the Charity received a donation of £NIL (2020 - £1m) from Sarjudas Foundation and continued to provide BAPS with premises from which to hold congregations etc in the advancement of their objectives.

BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable.

Reference and administrative details

Registered Company number:	08154119 (England and Wales)
Registered Charity number:	1148431
Trustees:	Mr. G.P Patel - Accountant Mr. S J Kara - Director of Strategic Alliances – IT Services Mr K Bhattessa - Hotelier
Country of registration:	England
Auditors:	MHA MacIntyre Hudson Sixth floor 2 London Wall Place London EC2Y 5AU
Principal Bankers:	The Royal Bank of Scotland plc 354 Station Road Harrow HA1 3XZ Punjab National Bank (International) Limited 188 Ealing Road Wembley HA0 4QD

Solicitors:

Hugh Cartwright & Amin
12 John Street
London
WC1N 2EB

AUDITORS

The auditors, MHA MacIntyre Hudson, will be proposed for re-appointment at the forthcoming Annual General Meeting following their appointment during the year.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8th September 2022 and signed on the board's behalf by:

.....
S. J. Kara - Trustee

Report of the Independent Auditors
For the year ended 31st December 2021

Opinion

We have audited the financial statements of Nilkanth Estates (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, 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 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 group's and parent charitable company's affairs as at 31 December 2021, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of their future investment strategy and expected investment income.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

The 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 (incorporating the Directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report and Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the 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 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of those charged with governance around any instances of known or suspected instances of fraud;
- Enquiry of those charged with governance around actual and potential litigation and claims;
- Enquiry of those charged with governance around any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness,
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

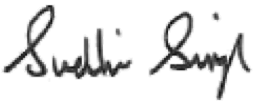
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Nilkanth Estates

Report of the Independent Auditors
For the year ended 31st December 2021

Use of this report

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



Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of
MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 27 September 2022

Nilkanth Estates

Consolidated and Charity Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31st December 2021

	Notes	The Group – unrestricted funds 2021	2020	The Charity - unrestricted funds 2021	2020
		£	£	£	£
Income from:					
Donations and legacies	3	-	1,004,389	-	1,000,000
Investment income	4	**1,320,930**	1,113,378	**1,054,262**	1,115,057
Other	5	**636,871**	-	**636,871**	-
Total income		**1,957,801**	2,117,767	**1,691,133**	2,115,057
Expenditure on:					
Raising funds	6	**171,369**	176,075	**159,779**	175,221
Charitable activities:					
- Provision of facilities	7	**1,079,971**	1,058,412	**1,051,577**	1,054,212
Total expenditure		**1,251,340**	1,234,487	**1,211,356**	1,229,433
Net income/(expenditure) before net losses on investments	8	**706,461**	883,280	**479,777**	885,624
Gains on revaluation of fixed assets	13/14	**540,000**	6,118,669	540,000	2,600,000
Impairment provision		-	-	-	-
Net movement in funds		**1,246,461**	7,001,949	**1,019,777**	3,485,624
Unrestricted funds brought forward		**86,970,369**	79,968,420	**83,453,680**	79,968,056
Unrestricted funds carried forward	18	**88,216,830**	86,970,369	**84,473,457**	83,453,680

The total funds of the Company were unrestricted. There were no restricted or designated funds during the year or for the previous year.

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

The appended notes for part of these accounts.

Nilkanth Estates

Company number 08154119

Consolidated and Charity Balance Sheets
as at 31 December 2021

	Notes	The Group 2021 £	2020 £	The Charity 2021 £	2020 £
Fixed assets:					
Tangible assets	12	**46,607,802**	47,706,116	**44,911,881**	45,986,116
Investment properties	13	**28,322,585**	26,316,262	**28,322,585**	26,316,262
Mixed use assets	14	**10,000,000**	10,000,000	**-**	-
		84,930,387	84,022,378	**73,234,466**	72,302,378
Current assets:					
Debtors	16	**232,741**	422,298	**8,484,251**	9,168,522
Cash at bank and in hand		**3,184,290**	2,676,271	**2,805,903**	2,051,825
		3,417,031	3,098,569	**11,290,154**	11,220,347
Liabilities:					
Creditors: amounts falling due within one year	17	**(130,588)**	(150,578)	**(51,163)**	(69,045)
Net current assets		**3,286,443**	2,947,991	**11,238,991**	11,151,302
Total assets less current liabilities		**88,216,830**	86,970,369	**84,473,457**	83,453,680
Total net assets		**88,216,830**	86,970,369	**84,473,457**	83,453,680
Funds:					
Unrestricted income funds	18	**88,216,830**	86,970,369	**84,473,457**	83,453,680
Total funds		**88,216,830**	86,970,369	**84,473,457**	83,453,680

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The appended notes form part of these accounts.

The financial statements were approved by the Board of Trustees on 8th September 2022 and were signed on its behalf by:

S. J. Kara
Trustee

G. P. Patel
Trustee

Nilkanth Estates

Consolidated and Charity Statement of Cash Flows
For the year ended 31 December 2021

	Notes	The Group 2021 £	2020 £	The Charity 2021 £	2020 £
Net cash provided by/ (used in) operating activities	19	**1,289,909**	1,883,634	**1,535,967**	1,314,638
Cash flows from investing activities:					
Dividends, interest, and rents received from investments		-	-	-	268,347
Purchase of tangible fixed assets		**(223,375)**	-	**(223,374)**	-
Purchase of investment property		**(1,466,323)**	(460,876)	**(1,466,323)**	(460,876)
Proceeds from sale of F/H Property		**907,808**	-	**907,808**	-
Net cash provided by/(used in) investing activities		**(781,890)**	(460,876)	**(781,889)**	(192,532)
Change in cash and cash equivalents in the year		**508,019**	1,422,758	**754,078**	1,122,106
Cash and cash equivalents at the beginning of the year		**2,676,271**	1,253,513	**2,051,825**	929,716
Cash and cash equivalents at the end of the year		**3,184,290**	2,676,271	**2,805,903**	2,051,825

ANALYSIS OF CHANGES IN NET DEBT

Group	As at 01 January 2021 £	Cash flows £	As at 31 December 2021 £
Cash at bank and in hand	2,676,271	508,019	3,184,290
	2,676,271	**508,019**	**3,184,290**
Charity			
Cash at bank and in hand	2,051,825	754,078	2,805,903
	2,051,825	**754,078**	**2,805,903**

1. Accounting policies

(a) Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) '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) (issued in October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The functional and presentation currency is UK Pound Sterling (£).

These financial statements consolidate the results of the Charity and its wholly-controlled subsidiary on a line by line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the Charity's balance sheet.

(b) Public benefit entity

The Charity and its wholly-controlled subsidiary meet the definition of a public benefit entity under Charities SORP (FRS 102).

(c) Going concern

The majority of the income received from by the Group is investment income from its investment property portfolio which are let to social housing providers. The Group has continued to receive this income despite disruptions to the economy caused by Covid 19 and has not changed its strategic and business plans. The Charity has minimal on-going legal or constructive commitments. There are no uncertainties, material or otherwise, regarding the Group's going concern.

The trustees therefore have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future which exceeds 12 months from the date of signing of the financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

(d) Income

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Voluntary income comprises revenues generated from various forms of donations.

Investment income includes income generated from property investment and interest received on cash deposits.

(e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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.

1. Accounting policies (continued)

(f) 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 is classified under the following activity headings:

- Costs of raising funds relate to the investment management costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Charity and their associated support costs including governance costs and depreciation of tangible fixed assets.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

(g) Allocation of support costs

All support costs are allocated to the expenditure on charitable activities as none of these costs are allocable to the costs of raising funds, which are the investment management costs.

Support costs include governance costs, which are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the group's activities.

(h) Taxation

The group is exempt from corporation tax on its charitable activities.

(i) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 2% on cost

Freehold land is not depreciated.

(j) Investment properties

Investment properties are measured at fair value at each reporting date and are not depreciated.

Cash investments

Cash held in fixed term deposit accounts exceeding one year are classified as fixed asset investments as they are generally held with the overall intention of long term retention for the continuing benefit of the group in the form of income and capital appreciation.

(k) Debtors

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

1. Accounting policies (continued)

Loans which have been provided with an interest rate below the market rate and for charitable purposes are deemed concessionary loans.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(m) Creditors and provisions

Creditors and provisions are recognised where the group 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.

The group 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 amortised cost using the effective interest method.

(n) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investment Properties

Investment properties whose fair value can be measured reliably without undue cost or effort should be measured at fair value at the year end with any changes in fair value recognised in the statement of financial activities.

The investment properties have been valued by the trustees at the period-end based on their knowledge of the properties and their location and having conducted informal market research considering comparable properties. Following their assessment, they have concluded that there has been no material change in the fair value since the previous valuation, with the exception of one investment property whose fair value is considered to have increased by £2.6m since the previous year-end, following an independent valuation by RICS-accredited chartered surveyor. A change in the assumptions used by the trustees may result in a change in the value of investment properties.

2. Critical accounting estimates and judgements, continued

Freehold Property
The Group and the Charity hold freehold land and buildings. The freehold buildings are depreciated over a period of 50 years whilst land is not depreciated as its value is not likely to diminish over time.

The Group carries out regular maintenance of its freehold properties and therefore it is likely that the useful lives of the property may exceed 50 years.

The trustees have been required, in the absence of a split of purchase cost, to estimate the allocation of the cost of these properties between the relative elements attributable to land, which is not depreciated, and buildings. Having consulted with property professionals, considered statutory provisions, and researched market factors, the trustees consider 30% of the acquisition cost of each tangible fixed asset to represent land and 70% to represent buildings. As such, 30% of the cost of each tangible fixed asset property is not depreciated.

Covid-19 has had no impact on any accounting estimates and judgements.

3. Income from donations and legacies

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Donations	-	1,004,389	-	1,000,000

4. Income from investments

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Rental income – operating leases	1,320,930	1,113,378	1,054,262	846,710
Interest receivable	-	-	-	268,347
	1,320,930	1,113,378	**1,054,262**	1,115,057

5. Other Income

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Profit on disposal of fixed assets	636,871	-	636,871	-
	636,871	-	636,871	-

6. Cost of raising funds – investment management costs

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Rates	412	(8,473)	-	1,879
Gas and electricity	16,873	8,235	7,651	-
Repairs and maintenance	75,146	93,960	75,146	93,685
Insurance	57,335	58,085	55,435	55,435
Consultancy fees	20,958	23,863	20,958	23,863
Bank charges	469	392	426	359
Sundries	176	13	163	-
	171,369	176,075	**159,779**	175,221

7. Expenditure on charitable activities

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Provision of facilities	1,050,752	1,038,612	1,026,672	1,038,612
Governance costs	29,219	19,800	24,905	15,600
	1,079,971	1,058,412	**1,051,577**	1,054,212

All the above costs are support costs.

Governance costs represent auditors' remuneration only.

8. Net income/(expenditure) for the year

Net income/(expenditure) for the year is stated after charging:

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Depreciation of fixed assets - owned	1,050,752	1,038,612	1,026,672	1,038,612
Auditors' remuneration (including VAT):	29,219	19,800	24,905	15,600

9. Staff costs

The Group does not have any employees. Its trustees are responsible for the governance of the Group and give their time freely. Volunteers, including employees of The Sarjudas Foundation and BAPS Charities, manage the day-to-day operations of the Group. Whilst the nature of the volunteers' time is not considered general, the monetary value of their time is not considered material and thus not recognised in the accounts.

10. Trustees' remuneration and expenses

Neither the Charity trustees nor the directors of the subsidiary were paid any remuneration, nor did they receive any other benefits from employment with the Group in the year (2020: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2020: £nil).

No trustee expenses were incurred in the year (2020: £nil).

11. Taxation

The group is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Group

	Freehold Property	Assets under construction	Total
	£	£	£
Cost			
At start of the year	64,542,332	-	64,542,332
Additions	-	235,722	235,722
Disposals	(389,807)	-	(389,807)
At end of the year	64,152,525	**235,722**	64,388,247
Depreciation			
At start of the year	16,836,215	-	16,836,215
Charge for the year	1,050,752	-	1,050,752
Disposals	(106,522)	-	(106,522)
At end of the year	17,780,445	-	17,780,455
Net Book Values:			
At end of the year	**46,372,080**	**235,722**	**46,607,802**
At start of the year	47,706,116	-	47,706,116

Included in cost or valuation of land and buildings is freehold land of £959,173 (2020 - £959,173) which is not depreciated.

12. Tangible fixed assets (Cont'd)

Charity

	Freehold Property	Assets under construction	Total
	£	£	£
Cost			
At start of the year	62,822,332	-	62,822,332
Additions	-	235,722	235,722
Disposals	(389,807)	-	(389,807)
At end of the year	62,432,525	235,722	62,668,247
Depreciation			
At start of the year	16,836,216	-	16,836,216
Charge for the year	1,026,672	-	1,026,672
Disposals	(106,522)	-	(106,522)
At end of the year	17,756,366	-	17,756,366
Net Book Values:			
At end of the year	**44,676,159**	**235,722**	**44,911,881**
At start of the year	45,986,116	-	45,986,116

13. Investment properties

	The Group		The Charity	
	2021	2020	**2021**	2020
	£	£	£	£
Market value				
At start of the year	26,316,262	31,456,717	26,316,262	23,255,386
Additions	1,466,323	460,876	1,466,323	460,876
Revaluation	540,000	2,600,000	540,000	2,600,000
Reclassification	-	(8,201,331)	-	-
At end of the year	**28,322,585**	26,316,262	**28,322,585**	26,316,262

Investment properties with an original cost of £23.716m have been valued at £28.322m by the trustees.

The trustees of the Group performed an assessment of the market value of its investment properties at the year-end. Following an independent valuation by a RICS-accredited chartered surveyor, one investment property's fair value was deemed to have increased by £540,000 since the previous year-end.

The trustees reviewed the presentation of the Brandon House property at the previous year-end. They reassessed the presentation and considered it a mixed-use asset, the investment part of which is recognised at year-end fair value (see Note 14 below).

14. Mixed-use assets

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Fair value				
At start of the year	10,000,000	-	-	-
Reclassification	-	6,481,331	-	
Revaluation	-	3,518,669	-	-
At end of the year	**10,000,000**	**10,000,000**	-	-

The trustees of the group reviewed the classification of their Brandon House property at the previous year-end. They reassessed the presentation to better describe the use of this property as a mixed-use asset used for both operational and investment purposes as set out in Charity SORP para 10.47.

The trustees of the group also reviewed the fair value of the element of the asset which is used for investment purposes at the previous year-end, in line with SORP requirements. Following an informal valuation from a RICS-accredited property advisor, the fair value of the proportion of the building let commercially had increased to £10m. This gain in value was recognised in the SOFA.

15. Investments in subsidiaries

Nilkanth Estates controls 100% of a charitable company, Brandon House Limited (Reg. Charity no. 1172517 and Company no. 10612051), which was incorporated in England and Wales on 9 February 2017. Brandon House Limited is a company limited by guarantee. It owns three light industrial units and Beddington Conference Centre ('BCC'). The industrial units have been rented out to a single tenant on a 10-year lease at an initial rent of £200,000 for the first year rising to £400,000 from the second year with rent review after 5 years.

A summary of the financial statements of the Charity's subsidiary, Brandon House Limited is shown below:

Statement of financial activities

	2021	2020
Income and Endowments from:	£	£
Donations and legacies	-	4,389
Investment income	266,667	266,668
Total income	266,667	271,057
Expenditure:		
- on raising funds	(39,984)	(5,053)
- provision of facilities	-	(268,347)
Total expenditure	(39,984)	(273,400)
Gains on Revaluation of fixed assets	-	3,518,636
Net income/(expenditure)	**226,683**	3,516,293

Balance sheet

	2021	2020
	£	£
Tangible assets	1,695,920	1,720,000
Mixed use assets	10,000,000	10,000,000
Current assets	561,128	812,474
Creditors due within one year	(79,425)	(81,533)
Creditors due after more than one year	(8,713,251)	(9,213,251)
Net assets/(liabilities)	**3,464,372**	3,237,690

16. Debtors

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Amounts falling due within one year:				
Trade Debtors	16,440	21,726	-	-
Other debtors	216,301	389,072	50,000	222,771
Prepayments & accrued income	-	11,500	-	11,500
	232,741	422,298	**50,000**	234,271
Amounts falling due after more than one year:				
Concessionary loan	-	-	8,434,251	8,934,251
Aggregate amounts	**232,741**	422,298	**8,484,251**	9,168,522

Nilkanth Estates provided a loan to its subsidiary, Brandon House Limited, of £8,201,331 in 2017 for the purchase of the subsidiary's property and to further both entities' charitable objectives. The loan: incurs interest at 3% per annum, which is considered below market rate; is secured against the property; is repayable on demand, though the parent Charity has provided assurances that it will not be repayable until at least one year from 31 December 2021.

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Trade creditors	40,129	41,105	27,615	30,676
Other creditors	90,459	89,673	23,548	22,769
Accruals	-	19,800	-	15,600
	130,588	150,578	**51,163**	69,045

18. Funds

	The Group		The Charity	
	2021	2020	**2021**	2020
	£	£	£	£
Unrestricted funds				
At start of the year	86,970,369	79,968,420	83,453,680	79,968,056
Incoming resources	1,957,801	2,117,767	1,691,133	2,115,057
Resources expended	(1,251,340)	(1,234,487)	(1,211,356)	(1,229,433)
Gain on revaluation of fixed assets	540,000	6,118,669	540,000	2,600,000
At end of the year	**88,216,830**	86,970,369	**84,473,457**	83,453,680

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2021	2020	**2021**	2020
	£	£	£	£
Net income for the reporting period as per statement of financial activities)	1,246,461	7,001,949	1,019,777	3,485,624
Depreciation	1,050,752	1,038,612	1,026,672	1,038,612
Gain on investments	(540,000)	(6,118,669)	(540,000)	(2,600,000)
Profit on disposal of tangible fixed assets	(636,871)	-	(636,871)	-
Interest receivable	-	-	-	(268,347)
(Increase)/decrease in debtors	189,557	(53,346)	684,271	(347,792)
(Decrease)/increase in creditors	(19,990)	16,088	(17,882)	6,541
Net cash provided by/(used in) operating activities	**1,289,909**	1,883,634	**1,535,967**	1,314,638

20. Related party transactions

The Group has provided operational and investment properties with a carrying value of £44.60m to The Sarjudas Foundation (and its wholly owned subsidiaries and group undertakings) and BAPS Charities rent-free, for a nominal rent amount, or on an arm's length basis. The Sarjudas Foundation and BAPS Charities have the same aims and objectives and the same beneficiaries as Nilkanth Estates. There are also common trustees/directors among the three entities.

Nilkanth Estates also received unrestricted donations amounting to £NIL (2020: £1m) from The Sarjudas Foundation during the year.

20. Related party transactions (continued)

In 2017, Nilkanth Estates provided a concessionary loan of £8,271,331 to Brandon House Limited, its wholly-controlled subsidiary. Of this loan, £8,201,331 was used to fund the purchase of the investment property held by this company. Interest on the loan is 3% per annum and the loan is repayable on an indeterminate period. Interest received during the period amounted to £NIL (2020: £268,347).

Nilkanth Estates has also provided financial support to Brandon House Limited so that the latter remains a going concern.

	2021	2020
	£	£
Balance receivable from Brandon House Ltd	**9,213,251**	9,213,251
Impairment provision	**(279,000)**	(279,000)
Repayment	**(500,000)**	-
	8,434,251	8,934,251

Brandon House Limited received unrestricted donations of £Nil during the year (2020: £4,389 of rental income) from Beddington Conference Centre Limited. Mr V H Patel, a former trustee of Brandon House Limited, is also a director of Beddington Conference Centre Limited.

21. Subsequent Events

The following properties were acquired by the charity post year-end:

- On 14th January 2022, Nilkanth Estates completed the purchase of 39 Meadow Garth for £500,703.

22. Legal status of the Charity and its Subsidiary

The Charity is a company limited by guarantee and has no share capital. Its registered office address is 105-119 Brentfield Road, London NW0 8LD. In the event of a winding up of the company, the liability of the trustees who are also the members of the company is limited to £1.

Its subsidiary, Brandon House Limited, is also a company limited by guarantee, has no share capital and is also a registered Charity. Nilkanth Estates is the sole member of Brandon House Limited and the former's liability in the event of a winding up is limited to £1. The registered office address of the Subsidiary is 104 College Road, Harrow HA1 1BQ.

NILKANTH ESTATES

England & Wales - Charity number 1148431

Accounts

REGISTERED COMPANY NUMBER: 08154119 (England and Wales)
REGISTERED CHARITY NUMBER: 1148431

Group Strategic Report, Report of the Trustees and Audited Consolidated Financial Statements

For the year ended 31st December 2020

for

NILKANTH ESTATES

Nilkanth Estates

Contents of the Consolidated Financial Statements
For the year ended 31st December 2020

	Pages
Trustees' Report (including Group Strategic Report)	1
Independent Auditor's Report	10
Consolidated and Charity Statement of Financial Activities	14
Consolidated and Charity Balance Sheet	15
Consolidated and Charity Cash Flow Statement	16
Notes to the Consolidated Accounts	17 – 27

Nilkanth Estates

Report of the Trustees (including Group Strategic Report)
For the year ended 31st December 2020

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, Strategic Report and the audited financial statements of Nilkanth Estates (the 'Charity' or 'Company') and the group for the year ended 31st December 2020

Nilkanth Estates (company number 08154119, incorporated in England on 24 July 2012) and its wholly-owned subsidiary, Brandon House Limited (company number 10612051, incorporated in England on 9 February 2017), are both charitable organisations established as companies limited by guarantee. The Charity is based in the UK and has its head office in Neasden, London.

OBJECTIVES AND ACTIVITIES

The group's purposes, as set out in the Objects clause contained in the Charity's an its subsidiary's Memorandum of Association are:

1. to advance the Akshar Purushottam Swaminarayan denomination of the Hindu religion based upon the teachings and principles of Bhagwan Swaminarayan; and to foster the practice and worship of the Akshar Purushottam Swaminarayan denomination of the Hindu religion as revealed by Bhagwan Swaminarayan;

2. preserve and safeguard the health of all persons and in particular of young persons who are in danger of becoming addicted to or dependent upon illegal drugs of any description, alcohol, solvents or other addictive substances; advance education for the public benefit;

3. promote community participation in healthy recreation so as to develop participants' physical, mental and spiritual capacities; and

4. for those purposes without prejudice to the generality of the foregoing, to allow other charities having similar objects to occupy any of its premises at nil or nominal rent.

Our aims fully reflect the purposes that the group was set up to further.

Ensuring our work delivers our aims
The trustees review the aims, objectives and activities of the Charity each year. This review looks at what the Charity has achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers
The Charity is run by its trustees and other volunteers who give their time freely in the day-to-day management of the Charity.

GROUP STRATEGIC REPORT

Achievement and performance

Nilkanth Estates own and manage a debt-free diverse property portfolio with a carrying value of £81.38 million, of which properties with a net book value of £45.98 million are used for charitable purposes specifically for use by Bochasanwasi Shri Akshar Purshottam Sanstha 'BAPS' in the advancement of our common objectives. Properties valued at £35.39 million are held for investment purposes. Our expenditure objective is two-fold:

- increase investment income by increasing our property portfolio in order to support the operating costs where required by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith;

- to fund the acquisition and development of properties for use by BAPS and other charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith.

The properties held for investment purposes are predominantly residential properties and a property used as a private Hindu faith-based school which has recently ceased its activities and which the Trustees are considering alternative uses.

The properties held as tangible fixed assets are those provided by the Charity to BAPS for use across the country as temples, assembly halls and ancillary purposes. In addition, there are a number of residential properties which are held to provide accommodation for full-time volunteers, priests and overseas visitors.

Charitable activities

During the year, the Group achieved its aims and objectives by providing properties with a carrying value of £47.02 million rent-free to BAPS and The Sarjudas Foundation (and its wholly-owned subsidiaries and group undertakings). Both these charities have the same aims and objectives as Nilkanth Estates.

The properties provided by the Group to BAPS include Mandirs situated in:

Neasden, London	Coventry	Chigwell, London	Havant
Leeds	Leicester	Loughborough	Luton
Manchester	Nottingham	Preston	Southend-On-Sea
South London	Wellingborough		

The activities undertaken at the above properties further the Charity's common aims and objectives for the public benefit and include a variety of weekly activities, spiritual forums for children and adults, courses in ethnic language, music, and dance, and events which cultivate personal talents and interpersonal skills and promote the strengthening of relationships within communities and families.

The holding of congregations was prohibited during the Covid-19 pandemic as a result of which the properties provided to BAPS were used on a restricted basis. These restrictions are now being eased and it is expected that normal use will resume soon.

Financial review

The Group is funded by the following main activities:

(i) Rental income
(ii) Donations received
(iii) Treasury management.

The Group funds its expenditure from rental income derived from its investment property portfolio and has the freedom to spend both income and capital, provided the core endowment of the fund is maintained. The Group holds cash balances to manage fluctuations in cash flow.

In 2020, the Group received donations of £1m from Sarjudas Foundation, a registered Charity with similar aims and objectives as the Charity (2019 - £Nil) and after net investment income of £1.113m (2019 - £1.287m), depreciation costs on its fixed asset properties and governance costs of £1.038m (2019 - £1.0354m), and net gains on the revaluation of fixed assets of £6.199m (2019 - £Nil), the Group's retained net income for year was £7.002m (2019 – £25,000 deficit) and accumulated reserves at the year-end were £86.970m (2019 - £79.968m).

During 2020, the Group spent a total of approximately £1.234m (2019 - £1.448m) on operating costs and donations made from unrestricted funds, of which charitable donations amounted to £Nil (2019 - £Nil). No properties were acquired during the year.

Fundraising activities
The Group nor the Charity undertake any public fundraising activities.

Investment performance
In 2020, the Group's property investment portfolio valued at £23.716m (cost - £26.316m) generated a total return of c.3% on value which the trustees consider is reasonable for its property portfolio and broadly around market expectations.

Liability Insurance
The Group purchases trustee liability insurance on behalf of the trustees to protect them against claims that may arise from the performance of their charitable duties.

Reserve Policy
The Trustees review reserves annually. Their policy is to hold enough cash reserves to meet the operating costs of the Group for at least one year. Surplus funds from donations and rental income are accumulated and used to build new temples or maintain existing ones.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect on-going work programme; and
- to allow the Group to meet its objectives

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- period of time required to re-establish income streams;
- period of time required to downsize the Group operations;
- whether there is adequate control over budgets
- potential decrease in the value of the investment portfolio; and
- requirements for a reasonable level of working capital.

The Group's operating expenditure does not normally exceed £400,000 per annum. The Trustees are of the view that maintaining free reserves, which are considered total unrestricted funds less those funds represented by operational and investment fixed assets, of at least three times this amount, i.e. £1.2m, will provide sufficient resources in the event of adverse conditions. As at 31 December 2020, the Group's free reserves amounted to £2.9m. The Charity holds surplus reserves to fund the future purchase of additional properties for use in furtherance of its charitable objectives.

The Trustees have confirmed that, after careful review of the reserves policy, as at 31 December 2020, the Group's free reserves were in excess of its reserves policy. In considering the adequacy of the reserves, the Trustees have taken into account the largely discretionary nature of its expenditure and the amount of cash held and investment income derived.

Principal risks and uncertainties

The main risks for the Group are:

- generation of rental income from its investment properties to fund its own operating costs and support the operations of other charities with common objects and activities. Income from letting its investment properties is dependent on the economic cycles, including their impact on tenant covenant quality, interest rates, inflation, property values and environmental and health and safety measures and its compliance. The Group typically acquires properties in areas which its trustees believe can be readily let at reasonable income levels and with little risk of void periods. The trustees regularly carry out maintenance of its properties to comply with health and safety obligations and to ensure that its properties do not fall into a state of disrepair.

- The Group relies on donations from Sarjudas Foundation to supplement its rental income surpluses in order to be able to finance the acquisition of both investment properties and properties acquired by the Charity and made available for use by BAPS and other charities with similar aims and objectives. Sarjudas Foundation is an established Charity and the trustees see no reason why donations from that Charity may cease, however, the Group has an unencumbered investment property portfolio with a value of £31m and could easily gear up with debt to finance further property acquisitions should donations from Sarjudas Foundation ease.

Financial and risk management objectives and policies
The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of the Group. In doing so, the Board has considered the major risks to which the Group is exposed, the potential impact and probability associated with each risk, and the mitigating actions needed to reduce each risk to a level that the Trustees considers to be acceptable.

The major financial risks are each subject to ongoing monitoring and management. Income and cost control are subject to ongoing review on at least a quarterly basis with prior approval of the Board needed for significant cost activities.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk
Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Such credit risk would arise primarily from trade and other receivables. The Group's trade debtors are minimal and other debtors relate to payments on account of construction work on certain of its existing properties. Consequently, the Group considers its credit risk to be minimal. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group has no debt or other significant financial obligations and maintains sufficient liquid cash resources to meet its operating cash flows.

(c) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group has no interest-bearing borrowings and as such has no exposure to interest rate risk. As the Group has no significant interest-bearing financial assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group 's interest bearing financial assets are mainly short term in nature.

Internal Control
The Trustees have overall responsibility for ensuring that the Group has appropriate systems of internal controls across the entire organisation.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Production of monthly management accounts and review of financial results and performance indicators by the Trustees at monthly meetings.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Future plans
Nilkanth Estates continue to seek suitable investment properties to develop its portfolio.

With the support of donations from Sarjudas Foundation and surplus rental income from its investment properties, the Group intends to acquire further investment properties and support the activities of BAPS who share common aims and objectives.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing document

Nilkanth Estates is a registered Charity (number 1148431) under the Charities Act 2011 and is a charitable organisation incorporated in England on 24 July 2012 as a company limited by guarantee under Company number 08154119. The Charity is controlled by its governing document, Memorandum and Articles of Association.

Trustees

There were 7 trustees during the year, four resigned and at 31 December 2020, the Charity had three trustees. The trustees have responsibility for meeting the Group's charitable obligations and objectives. Changes in Trustees during the year are provided below.

Under the requirements of the Memorandum and Articles of Association of the Charity, trustees are elected to serve for a period of three years after which they must be re-elected. Subject to article 20A, the trustees may appoint new and additional trustees by a resolution of the Trustees passed at a Trustee meeting. These individuals work alongside existing Trustees for a period of three years before being considered for appointment. Ongoing training is received by the trustees through attendance at courses and being provided with relevant information from various resources, as required.

All trustees give their time voluntarily and receive no remuneration or benefits from the Charity. As the trustees are the key management personnel of the Charity and are not remunerated, there is no remuneration policy for key management personnel.

Operation

The Board of Trustees, which can have up to 7 members, administers the Group. There is one full time trustee (Mr S G Patel) who is supported by two full-time administrators appointed by the trustees to manage the day- to-day operations of the Group. To facilitate effective operations, the administrators have delegated authority, within terms of the delegation approved by the trustees, for operational matters such as finance.

Most trustees are already familiar with the practical work of the Group having been involved in various activities themselves as volunteers. Additionally, new trustees are invited and encouraged to attend a series of training sessions to familiarise themselves with the Group and the context within which it operates. These are jointly led by the Chair of the Board of Trustees.

All trustees give their time voluntarily and receive no remuneration or benefits from the Group.

Attendance at board meetings

The board meets when necessary but seeks to meet fortnightly at least. During the year, all trustees attended 100% of all meetings.

Statement of Trustees' Responsibilities
The Trustees are responsible for preparing the Trustees' Report, the Group Strategic Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice on Accounting and Reporting;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

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

Statement as to Disclosure of Information to Auditors
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Public benefit
The trustees are mindful of the Charity Commission's guidance on public benefit 'Charities and Public Benefit' and, in particular the supplementary guidance for charities whose aims include advancing religion 'The Advancement of Religion for the Public Benefit' and have regard to that guidance when reviewing the Group 's aims and objectives and in planning future activities.

We are confident that, by providing financial resources to support the work of BAPS and other similar charities which share the common objective of advancement of the Akshar Purushottam Swaminarayan denomination of the Hindu faith, we help to promote the faith more effectively, at a national level, and in individual centres, and that in doing so provide a benefit to the public by:

- providing facilities for public worship, spiritual, moral and intellectual development both those who wish to benefit from what the what the Group offers; and

- through its support of BAPS, promoting Hindu values and service by members of BAPS in and to their communities, to the benefit of individuals and society as a whole.

Events since the end of the year
Information relating to events since the end of the year is given in the notes to the financial statements.

Related parties and relationships with other organisations
Nilkanth Estates is related to both Sarjudas Foundation and BAPS Swaminarayan Sanstha, and there are a number of trustees in common, and all three charities share the same objectives. In 2020, the Charity received a donation of £1m (2019 - £Nil) from Sarjudas Foundation and continued to provide BAPS with premises from which to hold congregations etc in the advancement of their objectives.

BAPS occupies a number of properties owned by Nilkanth Estates for which no rent is payable.

Reference and administrative details

Registered Company number: 08154119 (England and Wales)

Registered Charity number: 1148431

Trustees:

Mr. G.P Patel	- Accountant (appointed on 01/12/2020)
Mr. S J Kara	- Director of Strategic Alliances – IT Services (appointed on 01/12/2020)
Mr K Bhattessa	- Hotelier
Mr J M Patel	- Property investment, food manufacturing and distribution (resigned on 30/11/2020)
Mr A P Patel	- Accountant (resigned on 30/11/2020)
Dr M Shah	- Doctor (resigned on 30/11/2020)
Mr S G Patel	- Monk (resigned on 30/11/2020)

Country of registration: England

Auditors:
MHA MacIntyre Hudson
Sixth floor
2 London Wall Place
London
EC2Y 5AU

Principal Bankers:
The Royal Bank of Scotland plc
354 Station Road
Harrow HA1 3XZ

Punjab National Bank (International) Limited
188 Ealing Road
Wembley HA0 4QD

Solicitors:	Hugh Cartwright & Amin 12 John Street London WC1N 2EB

AUDITORS

The auditors, MHA MacIntyre Hudson, will be proposed for re-appointment at the forthcoming Annual General Meeting following their appointment during the year.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 September 2021 and signed on the board's behalf by:



.....
S. J. Kara - Trustee

Report of the Independent Auditors
For the year ended 31st December 2020

Opinion

We have audited the financial statements of Nilkanth Estates (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, 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 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 group's and parent charitable company's affairs as at 31 December 2020, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 and parent charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of their future investment strategy and expected investment income.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

The 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 (incorporating the Directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report and Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the 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 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of those charged with governance around any instances of known or suspected instances of fraud;
- Enquiry of those charged with governance around actual and potential litigation and claims;
- Enquiry of those charged with governance around any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

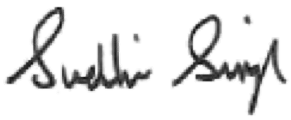
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Nilkanth Estates

Report of the Independent Auditors
For the year ended 31st December 2020

Use of this report

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



Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of
MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Dat**e:** 30 September 2021

Nilkanth Estates

Consolidated and Charity Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31st December 2020

	Notes	The Group – unrestricted funds 2020	2019	The Charity - unrestricted funds 2020	2019
		£	£	£	£
Income from:					
Donations and legacies	3	**1,004,389**	67,152	**1,000,000**	-
Investment income	4	**1,113,378**	1,286,852	**1,115,057**	1,235,899
Other	5	**-**	68,427	**-**	68,427
Total income		**2,117,767**	1,422,431	**2,115,057**	1,304,326
Expenditure on:					
Raising funds	6	**176,075**	393,315	**175,221**	283,392
Charitable activities:					
- Provision of facilities	7	**1,058,412**	1,054,251	**1,054,212**	1,051,500
Total expenditure		**1,234,487**	1,447,566	**1,229,433**	1,334,892
Net income/(expenditure) before net losses on investments	8	**883,280**	(25,135)	**885,624**	(30,566)
Gains on revaluation of fixed assets	13/14	**6,118,669**	-	2,600,000	-
Impairment provision		**-**	-	**-**	5,000
Net movement in funds		**7,001,949**	(25,135)	**3,485,624**	(25,566)
Unrestricted funds brought forward		**79,968,420**	79,993,555	**79,968,056**	79,993,622
Unrestricted funds carried forward	18	**86,970,369**	79,968,420	**83,453,680**	79,968,056

The total funds of the Company were unrestricted. There were no restricted or designated funds during the year or for the previous year.

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

The appended notes for part of these accounts.

Nilkanth Estates

Company number 08154119

Consolidated and Charity Balance Sheets
as at 31 December 2020

	Notes	The Group 2020 £	2019 £	The Charity 2020 £	2019 £
Fixed assets:					
Tangible assets	12	**47,706,116**	47,024,728	**45,986,116**	47,024,728
Investment properties	13	**26,316,262**	31,456,717	**26,316,262**	23,255,386
Mixed use assets	14	**10,000,000**	-	**-**	-
		84,022,378	78,481,445	**72,302,378**	70,280,114
Current assets:					
Debtors	16	**422,298**	367,952	**9,168,522**	8,820,730
Cash at bank and in hand		**2,676,271**	1,253,513	**2,051,825**	929,716
		3,098,569	1,621,465	**11,220,347**	9,750,446
Liabilities:					
Creditors: amounts falling due within one year	17	**(150,578)**	(134,490)	**(69,045)**	(62,504)
Net current assets		**2,947,991**	1,486,975	**11,151,302**	9,687,942
Total assets less current liabilities		**86,970,369**	79,968,420	**83,453,680**	79,968,056
Total net assets		**86,970,369**	79,968,420	**83,453,680**	79,968,056
Funds:					
Unrestricted income funds	18	**86,970,369**	79,968,420	**83,453,680**	79,968,056
Total funds		**86,970,369**	79,968,420	**83,453,680**	79,968,056

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The appended notes form part of these accounts.

The financial statements were approved by the Board of Trustees on 30 September 2021 and were signed on its behalf by:

S. J. Kara
Trustee

K.G. Bhattessa
Trustee

Nilkanth Estates

Consolidated and Charity Statement of Cash Flows
For the year ended 31 December 2020

	Notes	The Group 2020 £	2019 £	The Charity 2020 £	2019 £
Net cash provided by/ (used in) operating activities	19	**1,883,634**	860,014	**1,314,638**	694,655
Cash flows from investing activities:					
Dividends, interest, and rents received from investments		**-**	-	**268,347**	-
Purchase of tangible fixed assets		-	(357,883)	-	(357,883)
Purchase of investment property		**(460,876)**	(983,733)	**(460,876)**	(983,733)
Proceeds from sale of F/H Property			275,000	**-**	275,000
Net cash provided by/(used in) investing activities		**(460,876)**	(1,066,616)	**(192,532)**	(1,066,616)
Change in cash and cash equivalents in the year		**1,422,758**	(206,602)	**1,122,106**	(371,961)
Cash and cash equivalents at the beginning of the year		**1,253,513**	1,460,115	**929,716**	1,301,677
Cash and cash equivalents at the end of the year		**2,676,271**	1,253,513	**2,051,825**	929,716

ANALYSIS OF CHANGES IN NET DEBT

Group	As at 01 January 2020 £	Cash flows £	As at 31 December 2020 £
Cash at bank and in hand	1,253,513	1,422,758	2,676,271
	1,253,513	**1,422,758**	**2,676,271**
Charity			
Cash at bank and in hand	929,716	1,122,109	2,051,825
	929,716	**1,122,109**	**2,051,825**

1. Accounting policies

(a) Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) '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) (issued in October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The functional and presentation currency is UK Pound Sterling (£).

These financial statements consolidate the results of the Charity and its wholly-owned subsidiary on a line by line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the Charity's balance sheet.

(b) Public benefit entity

The Charity and its wholly-owned subsidiary meet the definition of a public benefit entity under Charities SORP (FRS 102).

(c) Going concern

The majority of the income received from by the Group is investment income from its investment property portfolio which are let to social housing providers. The Group has continued to receive this income despite disruptions to the economy caused by Covid 19 and has not changed its strategic and business plans. The Charity has minimal on-going legal or constructive commitments. There are no uncertainties, material or otherwise, regarding the Group's going concern.

The trustees therefore have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future which exceeds 12 months from the date of signing of the financial statements and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

(d) Income

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Voluntary income comprises revenues generated from various forms of donations.

Investment income includes income generated from property investment and interest received on cash deposits.

(e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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.

1. Accounting policies (continued)

(f) 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 is classified under the following activity headings:

- Costs of raising funds relate to the investment management costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Charity and their associated support costs including governance costs and depreciation of tangible fixed assets.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

(g) Allocation of support costs

All support costs are allocated to the expenditure on charitable activities as none of these costs are allocable to the costs of raising funds, which are the investment management costs.

Support costs include governance costs, which are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the group's activities.

(h) Taxation

The group is exempt from corporation tax on its charitable activities.

(i) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold buildings 2% on cost

Freehold land is not depreciated.

(j) Investment properties

Investment properties are measured at fair value at each reporting date and are not depreciated.

Cash investments

Cash held in fixed term deposit accounts exceeding one year are classified as fixed asset investments as they are generally held with the overall intention of long term retention for the continuing benefit of the group in the form of income and capital appreciation.

(k) Debtors

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

1. Accounting policies (continued)

Loans which have been provided with an interest rate below the market rate and for charitable purposes are deemed concessionary loans.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(m) Creditors and provisions

Creditors and provisions are recognised where the group 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.

The group 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 amortised cost using the effective interest method.

(n) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investment Properties

Investment properties whose fair value can be measured reliably without undue cost or effort should be measured at fair value at the year end with any changes in fair value recognised in the statement of financial activities.

The investment properties have been valued by the trustees at the period-end based on their knowledge of the properties and their location and having conducted informal market research considering comparable properties. Following their assessment, they have concluded that there has been no material change in the fair value since the previous valuation, with the exception of one investment property whose fair value is considered to have increased by £2.6m since the previous year-end, following an independent valuation by RICS-accredited chartered surveyor. A change in the assumptions used by the trustees may result in a change in the value of investment properties.

2. Critical accounting estimates and judgements, continued

Freehold Property
The Group and the Charity hold freehold land and buildings. The freehold buildings are depreciated over a period of 50 years whilst land is not depreciated as its value is not likely to diminish over time.

The Group carries out regular maintenance of its freehold properties and therefore it is likely that the useful lives of the property may exceed 50 years.

The trustees have been required, in the absence of a split of purchase cost, to estimate the allocation of the cost of these properties between the relative elements attributable to land, which is not depreciated, and buildings. Having consulted with property professionals, considered statutory provisions, and researched market factors, the trustees consider 30% of the acquisition cost of each tangible fixed asset to represent land and 70% to represent buildings. As such, 30% of the cost of each tangible fixed asset property is not depreciated.

Covid-19 has had no impact on any accounting estimates and judgements.

3. Income from donations and legacies

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Donations	1,004,389	64,400	1,000,000	-
Donated services	-	2,751	-	-
	1,004,389	67,151	**1,000,000**	-

4. Income from investments

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Rental income – operating leases	1,113,378	1,286,852	846,710	975,368
Interest receivable	-	-	268,347	260,531
	1,113,378	1,286,852	**1,115,057**	1,235,899

5. Other Income

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Profit on disposal of fixed assets	-	68,427	-	68,427
	-	68,427	-	68,427

6. Cost of raising funds – investment management costs

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Rates	(8,473)	132,205	1,879	112
Gas and electricity	8,235	21,521	-	6,517
Repairs and maintenance	93,960	180,933	93,685	220,933
Insurance	58,085	58,085	55,435	55,435
Consultancy fees	23,863	-	23,863	-
Bank charges	392	445	359	382
Sundries	13	126	-	13
	176,075	393,315	**175,221**	283,392

7. Expenditure on charitable activities

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Provision of facilities	1,038,612	1,035,843	1,038,612	1,035,843
Governance costs	19,800	18,408	15,600	
	1,058,412	1,054,251	**1,054,212**	1,051,500

All the above costs are support costs.

Governance costs represent auditors' remuneration only.

8. Net income/(expenditure) for the year

Net income/(expenditure) for the year is stated after charging:

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Depreciation of fixed assets - owned	1,038,612	1,035,843	1,038,612	1,035,843
Auditors' remuneration (including VAT):	19,800	18,408	15,600	15,657
Impairment provision	-	-	-	5,000

In the year ended 31 December 2019, the Group's auditors provided their services on an honorary basis. The value of their donated services has been recognised as donations received in that year.

9. Staff costs

The Group does not have any employees. Its trustees are responsible for the governance of the Group and give their time freely. Volunteers, including employees of The Sarjudas Foundation and BAPS Charities, manage the day-to-day operations of the Group. Whilst the nature of the volunteers' time is not considered general, the monetary value of their time is not considered material and thus not recognised in the accounts.

10. Trustees' remuneration and expenses

Neither the Charity trustees nor the directors of the subsidiary were paid any remuneration, nor did they receive any other benefits from employment with the Group in the year (2019: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2019: £nil).

No trustee expenses were incurred in the year (2019: £nil).

11. Taxation

The group is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Group	Freehold Property £	Assets under construction £	Total £
Cost			
At start of the year	62,822,332	-	62,822,332
Reclassification	1,720,000	-	1,720,000
At end of the year	64,542,332	-	64,542,332
Depreciation			
At start of the year	15,797,604	-	15,797,604
Charge for the year	1,038,612	-	1,038,612
At end of the year	16,836,216	-	16,836,216
Net Book Values:			
At end of the year	**47,706,116**	**-**	**47,706,116**
At start of the year	47,024,728	-	47,024,728

The trustees reviewed the classification of their Brandon House Property at the year-end. They reassessed the presentation to better describe the use of this property as a mixed-use asset used for both operational and investment purposes as set out in Charity SORP para 10.47 (see Notes 13 and 14 below). The element which is used for charitable purposes, being 20% of the total floor space of the property, has been reclassified as a tangible fixed asset and recognised at cost, in line with the SORP. As the change in presentation occurred at the year-end, this element of the property will not begin to be depreciated until 1 January 2021.

Included in cost or valuation of land and buildings is freehold land of £959,173 (2019 - £959,173) which is not depreciated.

All of the above assets are used for charitable purposes.

12. Tangible fixed assets (Cont'd)

Charity	Freehold Property	Assets under construction	Total
	£	£	£
Cost			
At start of the year	62,822,332	-	62,822,332
At end of the year	62,822,332	-	62,822,332
Depreciation			
At start of the year	15,797,604	-	15,797,604
Charge for the year	1,038,612	-	1,038,612
At end of the year	16,836,216	-	16,836,216
Net Book Values:			
At end of the year	**45,986,116**	**-**	**45,986,116**
At start of the year	47,024,728	-	47,024,728

13. Investment properties

	The Group		**The Charity**	
	2020	2019	**2020**	2019
	£	£	£	£
Market value				
At start of the year	31,456,717	30,472,984	23,255,386	22,271,653
Additions	460,876	983,733	460,876	983,733
Disposals	-		-	-
Revaluation	2,600,000	-	2,600,000	-
Reclassification	(8,201,331)	-	-	-
At end of the year	**26,316,262**	31,456,717	**26,316,262**	23,255,386

Investment properties with an original cost of £23.716m have been valued at £26.316m by the trustees.

The trustees of the Group performed an assessment of the market value of its investment properties at the year-end. Following an independent valuation by a RICS-accredited chartered surveyor, one investment property's fair value was deemed to have increased by £2.6m since the previous year-end.

The trustees reviewed the presentation of the Brandon House property at the year-end. They reassessed the presentation and now consider it a mixed use asset, the investment part of which is recognised at year-end fair value (see Note 14 below).

14. Mixed-use assets

	The Group		The Charity	
	2020	2019	**2020**	2019
	£	£	£	£
Fair value				
At start of the year	-	-	-	-
Reclassification	6,481,331	-	-	
Revaluation	3,518,669	-	-	-
At end of the year	**10,000,000**	**-**	**-**	-

The trustees of the group reviewed the classification of their Brandon House property at the year-end. They reassessed the presentation to better describe the use of this property as a mixed use asset used for both operational (see Note 12 above) and investment purposes as set out in Charity SORP para 10.47.

The trustees of the group also reviewed the fair value of the element of the asset which is used for investment purposes at the year-end, in line with SORP requirements. Following an informal valuation from a RICS-accredited property advisor, the fair value of the proportion of the building let commercially had increased to £10m. This gain in value has been recognised in the SOFA.

15. Investments in subsidiaries

Nilkanth Estates owns 100% of a charitable company, Brandon House Limited (Reg. Charity no. 1172517 and Company no. 10612051), which was incorporated in England and Wales on 9 February 2017. Brandon House Limited is a company limited by guarantee. It owns three light industrial units and Beddington Conference Centre ('BCC'). The industrial units have been rented out to a single tenant on a 10-year lease at an initial rent of £200,000 for the first year rising to £400,000 from the second year with rent review after 5 years.

A summary of the financial statements of the Charity's subsidiary, Brandon House Limited is shown below:

Statement of financial activities

	2020	**2019**
Income and Endowments from:	**£**	**£**
Donations and legacies	4,389	67,151
Investment income	266,668	311,484
Total income	271,057	378,635
Expenditure:		
- on raising funds	(5,053)	(109,923)
- provision of facilities	(268,347)	(263,282)
Total expenditure	(273,400)	(373,205)
Gains on Revaluation of fixed assets	3,518,636	-
Net income/(expenditure)	**3,516,293**	5,430

Balance sheet

	2020	2019
	£	£
Tangible assets	1,720,000	-
Mixed use assets	10,000,000	8,201,331
Current assets	812,474	536,923
Creditors due within one year	(81,533)	(71,986)
Creditors due after more than one year	(9,213,251)	(8,944,904)
Net assets/(liabilities)	**3,237,690**	(278,636)

16. Debtors

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Amounts falling due within one year:				
Trade Debtors	21,726	46,825	-	-
Other debtors	389,072	321,127	222,771	154,826
Prepayments & accrued income	11,500	-	11,500	-
	422,298	367,952	**234,271**	154,826
Amounts falling due after more than one year:				
Concessionary loan	-	-	8,934,251	8,665,904
Aggregate amounts	**422,298**	367,952	**9,168,522**	8,820,730

Nilkanth Estates provided a loan to its subsidiary, Brandon House Limited, of £8,201,331 in 2017 for the purchase of the subsidiary's property and to further both entities' charitable objectives. The loan: incurs interest at 3% per annum, which is considered below market rate; is secured against the property; is repayable on demand, though the parent Charity has provided assurances that it will not be repayable until at least one year from 31 December 2020.

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Trade creditors	41,105	40,080	30,676	-
Other creditors	89,673	66,845	22,769	40,080
Accruals	19,800	27,565	15,600	22,424
	150,578	134,490	**69,045**	62,504

18. Funds

	The Group		The Charity	
	2020	2019	**2020**	2019
	£	£	£	£
Unrestricted funds				
At start of the year	79,968,420	79,993,555	79,968,056	79,993,622
Incoming resources	2,117,767	1,422,431	2,115,057	1,304,326
Resources expended	(1,234,487)	(1,447,566)	(1,229,433)	(1,334,892)
Impairment provision	-	-	-	5,000
Gain on revaluation of fixed assets	6,118,669	-	2,600,000	-
At end of the year	**86,970,369**	79,968,420	**83,453,680**	79,968,056

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2020	2019	**2020**	2019
	£	£	**£**	£
Net income for the reporting period as per statement of financial activities)	7,001,949	(25,134)	3,485,624	(25,566)
Depreciation	1,038,612	1,035,843	1,038,612	1,035,843
Gain on investments	(6,118,669)	-	(2,600,000)	-
Impairment provision	-	-	-	(5,000)
Profit on disposal of tangible fixed assets	-	(68,427)	-	(68,427)
Interest receivable	-	-	(268,347)	(260,531)
(Increase)/decrease in debtors	(54,346)	(2,601)	(347,792)	13,779
(Decrease)/increase in creditors	16,088	(79,665)	6,541	4,557
Net cash provided by/(used in) operating activities	**1,883,634**	860,014	**1,314,638**	694,655

20. Related party transactions

The Company has provided operational and investment properties with a carrying value of £45.98m to The Sarjudas Foundation (and its wholly owned subsidiaries and group undertakings) and BAPS Charities rent-free, for a nominal rent amount, or on an arm's length basis. The Sarjudas Foundation and BAPS Charities have the same aims and objectives and the same beneficiaries as Nilkanth Estates. There are also common trustees/directors among the three entities.

Nilkanth Estates also received unrestricted donations amounting to £1,000,000 (2019: £Nil) from The Sarjudas Foundation during the year.

20. Related party transactions (continued)

In 2017, Nilkanth Estates provided a concessionary loan of £8,271,331 to Brandon House Limited, its wholly-owned subsidiary. Of this loan, £8,201,331 was used to fund the purchase of the investment property held by this company. Interest on the loan is 3% per annum and the loan is repayable on an indeterminate period. Interest received during the period amounted to £268,347 (2019: £260,531).

Nilkanth Estates has also provided financial support to Brandon House Limited so that the latter remains a going concern.

	2020	2019
	£	£
Balance receivable from Brandon House Ltd	**9,213,251**	8,944,904
Impairment provision	**(279,000)**	(279,000)
	8,934,251	8,665,904

Brandon House Limited received unrestricted donations of £4,389 during the year (2019: £35,000 of rental income) from Beddington Conference Centre Limited. Mr V H Patel, a former trustee of Brandon House Limited, is also a director of Beddington Conference Centre Limited.

21. Subsequent Events

The following properties were acquired by the charity post year-end:

- On 28th January 2021, Nilkanth Estates completed the purchase of 3 Hawthorne Avenue for £601,323.
- On 24th September 2021, Nilkanth Estates completed the purchase of 1 Hawthorne Avenue for £865,958.

22. Legal status of the Charity and its Subsidiary

The Charity is a company limited by guarantee and has no share capital. Its registered office address is 105-119 Brentfield Road, London NW0 8LD. In the event of a winding up of the company, the liability of the trustees who are also the members of the company is limited to £1.

Its subsidiary, Brandon House Limited, is also a company limited by guarantee, has no share capital and is also a registered Charity. Nilkanth Estates is the sole member of Brandon House Limited and the former's liability in the event of a winding up is limited to £1. The registered office address of the Subsidiary is 104 College Road, Harrow HA1 1BQ.