

Charity registration number 1161788

Company registration number 09580721 (England and Wales)

**LOHANA CHARITABLE FOUNDATION LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2022**



# LOHANA CHARITABLE FOUNDATION LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr. Pradip Dhamecha	
	Mr. Vimal Pau	
	Mr. Amratlal Radia	
	Mr. Bhavesh Radia	
	Mr. Narendra Thakrar	
	Mr. Manish Sangani	
	Mrs. Pratibha Lakhani	
	Mr. Ajay Gokani	
	Mr. Rameshchandra Kantaria	
	Mr. Rasiklal Kantaria	
	Mr. Jagdish Nagrecha	
	Mr. Deepak Jatania	
	Mr. Narendra Kotecha	
	Mr Ronak Paw	(Appointed 19 April 2021)
	Mr Vinodrai Thakrar	(Appointed 19 April 2021)
	Mr D M Shohchhatra	(Appointed 19 April 2021)
	Mr S V Dewji	(Appointed 19 April 2021)
<b>Secretary</b>	Pratibha Lakhani	
<b>Treasurer</b>	Amratlal Radia	
<b>Charity number</b>	1161788	
<b>Company number</b>	09580721	
<b>Registered office</b>	Hunter House 109 Snakes Lane West Woodford Green Essex IG8 0DY	
<b>Auditor</b>	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL	
<b>Bankers</b>	Metro Bank Plc One Southampton Row London WC1B 5HA	

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# **LOHANA CHARITABLE FOUNDATION LIMITED**

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# **LOHANA CHARITABLE FOUNDATION LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 5 APRIL 2022**

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The Trustees present their annual report and financial statements for the year ended 5 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### **Objectives and activities**

The aims of the foundation are to provide the following:

- To promote the benefit of inhabitants of North and North West London without any distinction to advance education (in particular but not exclusively in the Hindu religion, culture, arts, and heritage of the Lohana Community) and to provide facilities in the interests of social welfare for recreation and other leisure time occupations.
- To establish or secure the establishment of a community centre
- To relieve poverty, hardship and distress amongst members of the community who are in need of by reason of their youth, age, infirmity or economic circumstances
- To support other general charitable purposes for the benefit of the community as Trustees deem fit.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

### **Volunteers**

The volunteers are involved in general management and core activities of the Charity.

The Trustees would like to acknowledge the tremendous efforts of the volunteers and the many supporters of the Charity for their continuous support in helping the Charity to achieve its objectives.

### **Achievements and performance**

#### **Financial review**

The financial controls of the charity are managed and controlled by the Trustees without any remuneration.

#### **Reserves policy**

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### **Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Plans for future periods**

The charity plans to continue the activities outlined above in the forthcoming years as the Trustees shall determine.

#### **Structure, governance and management**

The Charity is a company limited by guarantee without share capital. The charity registration number is 1161788. It was registered on 21 May 2015. The charitable operations and assets were transferred from Lohana Charitable Foundation on 21 September 2016. The charity consists of seventeen Trustees who manage the activities of the foundation.

# LOHANA CHARITABLE FOUNDATION LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr. Pradip Dhamecha	
Mr. Vinod Kotecha	(Resigned 19 April 2021)
Mr. Vimal Pau	
Mr. Amratlal Radia	
Mr. Bhavesh Radia	
Mr. Narendra Thakrar	
Mr. Manish Sangani	
Mrs. Pratibha Lakhanl	
Mr. Ajay Gokani	
Mr. Rameshchandra Kantaria	
Mr. Deenesh Thakrar	(Resigned 19 April 2021)
Mr. Rasiklal Kantaria	
Mr. Jagdish Nagrecha	
Mr. Deepak Jatania	
Mr. Narendra Kotecha	
Mr Yatin Dawada	(Resigned 19 April 2021)
Mr Ronak Paw	(Appointed 19 April 2021)
Mr Vinodral Thakrar	(Appointed 19 April 2021)
Mr D M Shohchhatra	(Appointed 19 April 2021)
Mr S V Dewji	(Appointed 19 April 2021)

### Trustees training and recruitment

When appointing new Trustees to the charity, the Board of Trustees consider the skills, knowledge and experience of the individual in making the appointment.

All Trustees have been allocated an area of responsibility, which, where possible, is in accordance with their skills and experience.

### Organisational structure

The names of the current Directors and those who held office during the financial year are set out above. The Directors, who are the Charity Trustees for the purposes of the Charities Act 2011, conduct the operations of the charity. The Board of Directors meets regularly to discuss the affairs of the charity as a whole.

### Related parties

None of our trustees receive remuneration or other benefit from their work with the charity.

Dhamecha Lohana Centre Limited, a registered company, is a wholly owned subsidiary of the Charity. The transactions during the period with the subsidiary are set out in Note 17 to the financial statements.

### Auditor

The auditor, KLSA LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.



Mr. Manish Sangani  
Trustee

14 December 2022

# **LOHANA CHARITABLE FOUNDATION LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 5 APRIL 2022***

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The Trustees, who are also the directors of Lohana Charitable Foundation Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

# LOHANA CHARITABLE FOUNDATION LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF LOHANA CHARITABLE FOUNDATION LIMITED

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#### Opinion

We have audited the financial statements of Lohana Charitable Foundation Limited (the 'Charity') for the year ended 5 April 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 5 April 2022 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **LOHANA CHARITABLE FOUNDATION LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF LOHANA CHARITABLE FOUNDATION LIMITED**

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#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Commission Act 2011 and Companies Act 2006.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.



# LOHANA CHARITABLE FOUNDATION LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF LOHANA CHARITABLE FOUNDATION LIMITED

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To address the risk of non-compliance with laws and regulations, we communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

There are inherent limitations in the audit procedures described above; any instance of non-compliance with laws and regulations and fraud which is far removed from transactions reflected in the financial statements would diminish the likelihood of detection. Furthermore, the risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting one resulting from error.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our audit report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Shilpa Chheda (Senior Statutory Auditor)**  
for and on behalf of KLSA LLP

14 December 2022

**Chartered Accountants**  
**Statutory Auditor**

Kalamu House  
11 Coldbath Square  
London  
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# LOHANA CHARITABLE FOUNDATION LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	3	54,624	3,801
Rent	4	100,000	100,000
<b>Total income</b>		<u>154,624</u>	<u>103,801</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	<u>40,645</u>	<u>26,628</u>
<b>Net income for the year/ Net movement in funds</b>		113,979	77,173
Fund balances at 6 April 2021		<u>4,547,323</u>	<u>4,470,150</u>
<b>Fund balances at 5 April 2022</b>		<u><u>4,661,302</u></u>	<u><u>4,547,323</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# LOHANA CHARITABLE FOUNDATION LIMITED

## BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investment properties	11	4,610,703		4,610,703	
Investments	12	470,000		1,000	
			5,080,703		4,611,703
<b>Current assets</b>					
Debtors	13	26,077		446,268	
Cash at bank and in hand		1,728		1,716	
			27,805		447,984
<b>Creditors: amounts falling due within one year</b>	14	(29,349)		(68,283)	
Net current (liabilities)/assets			(1,544)		379,701
<b>Total assets less current liabilities</b>			5,079,159		4,991,404
<b>Creditors: amounts falling due after more than one year</b>	15		(417,857)		(444,081)
<b>Net assets</b>			4,661,302		4,547,323
<b>Income funds</b>					
Unrestricted funds			4,661,302		4,547,323
			4,661,302		4,547,323

## **LOHANA CHARITABLE FOUNDATION LIMITED**

### **BALANCE SHEET (CONTINUED)**

**AS AT 5 APRIL 2022**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 14 December 2022



Mr. Manish Sangani  
Trustee

Company registration number 09580721

# LOHANA CHARITABLE FOUNDATION LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	18		(34,010)		(136,929)
<b>Investing activities</b>					
Investment income received		100,000		100,000	
<b>Net cash generated from investing activities</b>			100,000		100,000
<b>Financing activities</b>					
Repayment of borrowings		(25,000)		-	
Repayment of bank loans		(25,253)		(24,282)	
<b>Net cash used in financing activities</b>			(50,253)		(24,282)
<b>Net increase/(decrease) in cash and cash equivalents</b>			15,737		(61,211)
Cash and cash equivalents at beginning of year			(14,450)		46,761
<b>Cash and cash equivalents at end of year</b>			1,287		(14,450)
<b>Relating to:</b>					
Cash at bank and in hand			1,728		1,716
Bank overdrafts included in creditors payable within one year			(441)		(16,166)

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

#### Charity Information

Lohana Charitable Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hunter House, 109 Snakes Lane West, Woodford Green, Essex, IG8 0DY.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. These financial statements are prepared on the going concern basis.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

#### 1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 1 Accounting policies

(Continued)

Expenditure is recognised when it is incurred. Expenditure is reported gross of related Income.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.33% straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Property rented to a group entity is accounted for as tangible fixed assets.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial Instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

### 1.11 Taxation

The company is a registered charity and accordingly is exempt from taxation on its income and gain where they are applied for charitable purposes.

### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.13 Group accounts

The financial statements present information about the charity as an individual undertaking and not about its group. The charity and its subsidiary undertaking comprise a small-sized group. The charity has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 and section 139 of Charities Act 2011 not to prepare group accounts.

## 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### **Useful lives of property, plant and equipment**

Management reviews the useful lives and residual values of the items of property, plant and equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.



# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	54,624	3,801

### 4 Rent

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	100,000	100,000

### 5 Charitable activities

	2022	2022	2022	2021
	£	£	£	£
Donations	12,436	-	12,436	2,253
Events expenses	4,466	-	4,466	1,001
	16,902	-	16,902	3,254
Share of support costs (see note 6)	20,993	-	20,993	20,974
Share of governance costs (see note 6)	-	2,750	2,750	2,400
	37,895	2,750	40,645	26,628

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	-	-	-	1,184	-	1,184
Insurance	1,192	-	1,192	-	-	-
Bank charges	52	-	52	123	-	123
Bank interest paid	19,689	-	19,689	19,469	-	19,469
Legal and professional fees	60	-	60	198	-	198
Audit fees	-	2,750	2,750	-	2,400	2,400
	<u>20,993</u>	<u>2,750</u>	<u>23,743</u>	<u>20,974</u>	<u>2,400</u>	<u>23,374</u>
Analysed between Charitable activities	<u>20,993</u>	<u>2,750</u>	<u>23,743</u>	<u>20,974</u>	<u>2,400</u>	<u>23,374</u>

### 7 Trustees

None of the Trustees (or any persons connected with them) were reimbursed for expenses from the Charity during the period.

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the period.

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

### 9 Taxation

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

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 10 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 6 April 2021	3,544
At 5 April 2022	3,544
<b>Depreciation and impairment</b>	
At 6 April 2021	3,544
At 5 April 2022	3,544
<b>Carrying amount</b>	

### 11 Investment property

	2022 £
<b>Fair value</b>	
At 6 April 2021 and 5 April 2022	4,610,703

In the opinion of the trustees, the carrying value of the company's investment properties as at 5 April 2022 is not significantly different from the open market fair values of those properties as at that date.

### 12 Fixed asset investments

	Other Investments
<b>Cost or valuation</b>	
At 6 April 2021	1,000
Additions	469,000
At 5 April 2022	470,000
<b>Carrying amount</b>	
At 05 April 2022	470,000
At 05 April 2021	1,000

During the year, the company has acquired additional share capital allotted by Dhamecha Lohana Centre Ltd. amounting to £469,000. The aforementioned company is 100% (2021: 100%) subsidiary of Lohana Charitable Foundation Ltd.

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	17	470,000	1,000

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 12 Fixed asset investments (Continued)

#### 13 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Amounts owed by fellow group undertakings	22,267	446,268
Prepayments and accrued income	3,810	-
	<u>26,077</u>	<u>446,268</u>

#### 14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans and overdrafts		25,694	40,448
Other borrowings		-	25,000
Accruals and deferred income		3,655	2,835
		<u>29,349</u>	<u>68,283</u>

#### 15 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans		<u>417,857</u>	<u>444,081</u>

The bank loan is repayable by monthly instalments. Commercial rates of interest are charged on the loans.

#### 16 Related party transactions

Included in debtors is £27,269 (2021: £446,268) receivable from the company which is a 100% subsidiary of Lohana Charitable Foundation Ltd.

Included within other borrowings is an unsecured interest free loan from a connected company of £nil (2021: £25,000) repayable on demand. During the year, above-mentioned loan was treated as charitable donation to the company by the related party who provided the loan.

Donation income amounting to £5,000 is received from a related party during the year.

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 17 Subsidiaries

These financial statements are separate company financial statements for Dhamecha Lohana Centre Limited.

Details of the Charity's subsidiaries at 5 April 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Dhamecha Lohana Centre Limited	United Kingdom	Letting out the centre for events and conferences	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Dhamecha Lohana Centre Limited	(61,003)	(48,140)

18 Cash generated from operations	2022	2021
	£	£
Surplus for the year	113,979	77,173
Adjustments for:		
Investment income recognised in statement of financial activities	(100,000)	(100,000)
Depreciation and impairment of tangible fixed assets	-	1,184
Movements in working capital:		
(Increase) in debtors	(48,809)	(115,000)
Increase/(decrease) in creditors	820	(286)
<b>Cash absorbed by operations</b>	<b>(34,010)</b>	<b>(136,929)</b>

# LOHANA CHARITABLE FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 19 Analysis of changes in net (debt)/funds

	At 6 April 2021 £	Cash flows £	At 5 April 2022 £
Cash at bank and in hand	1,716	12	1,728
Bank overdrafts	(16,166)	15,725	(441)
	<u>(14,450)</u>	<u>15,737</u>	<u>1,287</u>
Loans falling due within one year	(49,282)	24,029	(25,253)
Loans falling due after more than one year	(444,081)	26,224	(417,857)
	<u>(507,813)</u>	<u>65,990</u>	<u>(441,823)</u>