

Charity Registration No. 1165578
Company Registration No. 09864871 (England and Wales)

AMRIT AND AJIT CHARITABLE TRUST LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

**AMRIT AND AJIT CHARITABLE TRUST LTD
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

Mr B S Bahra
Mrs S K Bahra
Ms J Kaur

Charity number
1165578

Company number
09864871

Accountants

Pitts & SeeUs
Studio 6
6 Hornsey Street
London
N7 8GR

AMRIT AND AJIT CHARITABLE TRUST LTD

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MRIT AND AJIT CHARITABLE TRUST LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 NOVEMBER 2020

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The Trustees present their report and accounts for the year ended 30 November 2020. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trustees'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 2015)"

Objectives and activities

According to the Articles of Association and Faith of the charity, the aim and objects of the company is prevention or relief of poverty in developing countries particularly in India and Africa by providing:

- (a) grant to other Charities or charitable organisation
- (b) items and services to individual facing poverty and deprived of basic needs.

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

Financial review

It is the policy of the Trustees 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 considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trustees' 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.

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

Structure, governance and management

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr B S Bahra
Mrs S K Bahra
Ms J Kaur

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Mr B S Bahra

Trustee

Dated: 31 August 2021

AMRIT AND AJIT CHARITABLE TRUST LTD

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AMRIT AND AJIT CHARITABLE TRUST LTD FOR THE YEAR ENDED 30 NOVEMBER 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Amrit and Ajit Charitable Trust Ltd for the year ended 30 November 2020, which comprise the Statement of Financial Activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made to the charity's Trustees, as a body, in accordance with the terms of our engagement letter dated 31 October 2016. Our work has been undertaken solely to prepare for your approval the accounts of Amrit and Ajit Charitable Trust Ltd and state those matters that we have agreed to state to the charity's Trustees, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Amrit and Ajit Charitable Trust Ltd and the charity's Trustees as a body, for our work or for this report.

It is your duty to ensure that Amrit and Ajit Charitable Trust Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Amrit and Ajit Charitable Trust Ltd. You consider that Amrit and Ajit Charitable Trust Ltd is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report. We have not been instructed to carry out an audit or a review of the accounts of Amrit and Ajit Charitable Trust Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Pitts & SeeUs

Date :31 August 2021

Chartered Accountants

Studio 6
6 Hornsey Street
London
N7 8GR

AMRIT AND AJIT CHARITABLE TRUST LTD

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2019**

		Unrestricted Funds	Total 2019
	Notes	£	£
<u>Income from:</u>			
Donations and legacies	3	50,000	30,000
<u>Expenditure on:</u>			
Raising funds		-	-
Charitable activities	4	<u>12,876</u>	<u>24,338</u>
Total resources expended		<u>12,876</u>	<u>24,338</u>
Net income for the year/ Net movement in funds		37,124	5,662
Fund balances at 1 December 2019		<u>150,356</u>	<u>144,694</u>
Fund balances at 30 November 2020		<u>187,480</u>	<u>150,356</u>

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

AMRIT AND AJIT CHARITABLE TRUST LTD
STATEMENT OF FINANCIAL POSITION
AS AT
30 NOVEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Current assets					
Debtors	9	426		15,426	
Investments	10	147,880		97,880	
Cash at bank and in hand		<u>41,740</u>		<u>38,683</u>	
		190,046		151,989	
Creditors: amounts falling due within one year	11	2,566		<u>1,633</u>	
Net current assets		<u>187,480</u>		<u>150,356</u>	
Income funds					
Unrestricted funds		<u>187,480</u>		<u>150,356</u>	

For the financial year ended 30 November 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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 board of directors and authorised for issue on 31 August 2020 and are signed on its behalf by:

Mr B S Bahra
Trustee
Company Registration No. 09864871

AMRIT AND AJIT CHARITABLE TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

Accounting policies

Company information

Amrit and Ajit Charitable Trust Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is .

1.1

Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Trustees is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. The accounts have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Trustees has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustee continue to adopt the going concern basis of accounting in preparing the accounts.

1.3

Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. 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 accounts. Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trustees.

1.4

Incoming resources

Income is recognised when the Trustees 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 Trustees 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.

Legacies are recognised on receipt or otherwise if the Trustees has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5

Resources expended

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2020

(Continued)

1.6

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.

1.7

Financial instruments

The Company 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 when the Trustees becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts 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

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Other financial assets

Financial assets with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

AMRIT AND AJIT CHARITABLE TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2020

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Trustees transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

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

1.8

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period.

AMRIT AND AJIT CHARITABLE TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2020

2 Critical accounting estimates and judgements

In the application of the Trustees's accounting policies, the directors 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.

3 Donations and legacies	2020	2019
	£	£
Donations and gifts	<u>50,000</u>	<u>30,000</u>

4 Charitable activities

	Charitable Expenditure	Total	2019
	£	£	£
Charitable expenditure	1,036	1,036	1,162
Grant funding of activities (see note)	<u>11,840</u>	<u>11,840</u>	<u>23,176</u>
	12,875	12,875	24,338

Analysis by fund

Unrestricted funds	<u>12,875</u>	<u>12,875</u>
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For the year ended 30 November 2019

Unrestricted funds	<u>24,338</u>	<u>24,338</u>
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AMRIT AND AJIT CHARITABLE TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2020

5 Grants payable

	Charitable Expenditure £	2019 £
Grants to institutions:		
Other	<u>11,840</u>	<u>23,176</u>

8 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	41,741	53,683
Equity instruments measured at cost less impairment	<u>147,880</u>	<u>97,880</u>
	<u>189,621</u>	<u>151,563</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>2,566</u>	<u>1,633</u>

9 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Other debtors	-	15,000
Prepayments and accrued income	<u>426</u>	<u>426</u>
	<u>426</u>	<u>15,426</u>

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	<u>2,566</u>	<u>1,633</u>