

# BRANDON HOUSE LIMITED

England & Wales · Charity number 1172517

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [10612051](#)

**Registered** 2017-04-10

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Baps Shri Swaminarayan Mandir  
1 Pramukh Swami Road  
London  
NW10 8HW

**Phone** 02089652651

**Email** [info@brandonhouse.org](mailto:info@brandonhouse.org)

## Activities

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**Objects:** 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 Û 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 (GODÆS 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 ÔBAPS INDIA Ö).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 PARTICIPANTSÆ 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:** Letting and operating of Conference and Exhibition Centre and letting and operating real estate

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Recreation
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,898,211	£72,405	£13,531,798	0
2023-12-31	£523,984	£83,328	£11,455,992	0
2022-12-31	£7,599,999	£49,037	£11,015,336	0
2021-12-31	£266,667	£39,984	-	-
2020-12-31	£271,057	£273,400	-	-

## Trustees

Name	Role	Appointed
Dr Mayank Ramanlal Shah		2017-04-22
Ghanshyam Ramparia		2024-02-21
MR Jitendrakumar Patel		2017-04-22

**BRANDON HOUSE LIMITED**

England & Wales - Charity number 1172517

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# Accounts

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**REGISTERED COMPANY NUMBER: 10612051 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172517**

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024  
FOR  
BRANDON HOUSE LIMITED

BRANDON HOUSE LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2024

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2024. The Trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charitable company's purposes, as set out in the Objects clause contained in the Company'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 nominal or market rent.

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

The Charity seeks to meet its aims and objectives by periodically donating surplus funds to other charities which promote and deliver the same aims and objectives such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS) or to its parent charity, Nilkanth Estates, who share the same aims and objectives.

### **Achievements in the year**

During the year, the Charity continued to receive rental income from the letting of its industrial units and provided part of its buildings at a peppercorn rent for use by BAPS for its charitable purposes which are similar to those of the Charity.

The Charity received property donation from Nilkanth Estates. The property is under construction and is intended for mixed use. The property is to be used for both own and commercial purposes.

The income generated from letting this property in future will contribute to the furtherance of Charity's aims and objectives.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities on a yearly basis. This review looks at what we achieved and the outcomes of our work in the current period and to continue the review on an ongoing basis. 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**

Volunteers are an important resource for the Charity and are involved in all of our activities. The day-to-day management of the charity and its properties is all done on voluntary basis. Administration of the charity is also done by the volunteers. The Trustees also give their time freely.

### 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 (Parent).

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

#### Financial review

The Statement of Financial Activities (SOFA) shows net incoming and outgoing resources for the year.

During the year, the Charity had a net income before gain on revaluation of investment properties of £2,075,806 (2023: £440,656).

As at the balance sheet date, the Charity has net funds of £13,531,798 (2023: £11,445,992).

The charity received a property donation from Nilkanth Estates amounting to £3.44m. The property is intended to be for both own and commercial purposes. The asset is under construction and is to be funded from the loans from Sarjudas Foundation, a charity with similar aims and objectives.

The Trustees have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- In view of net liability position of £98,887 the Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents receivable, as well as the agreed waiver of loan interest from 1 January 2021 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2024.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

#### 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 £32.11m (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.

### 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.

### Reserves 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 Trustees review the Reserve Policy annually. Their policy is to hold sufficient cash reserves to meet the operating costs of the Charity which are minimal and in respect of premises costs of the property used by BAPS for charitable purposes. The charity held cash reserves of £176,736 (2023: £622,514). Surplus funds from donations and rental income are accumulated and used for the furtherance of the Charity's objectives.

### Plans for the future

The trustees aim to continue on Charity's success, achieved by delivering its aims and objectives. The Charity intends to continue with the investing in the properties for generating income to support furtherance of Charity's objectives.

### Principal funding sources

The Charity's activities are mainly financed by funds raised through rental income, voluntary donations and financial support from its parent, Nilkanth Estates.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

Brandon House Limited is a registered charity (number 1172517) under the Charities Act 2011 and is a charitable organisation incorporated in England on 9 February 2017 as a company limited by guarantee under Company number 10612051.

The Charity is controlled by its governing document, Memorandum and Articles of Association.

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2024

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10612051 (England and Wales)

**Registered Charity number**

1172517

**Registered office**

104 College Road  
Harrow  
HA1 1BQ

**Trustees**

Mr K Bhattessa	Hotelier
Mr Y M Patel	Company Director (Resigned on 21/02/2024)
Mr G Ramparia	Company Director (Appointed on 21/02/2024)
Mr J M Patel	Company Director
Dr M R Shah	Doctor

There are five Trustees in post during the year, and four at the year-end, and they have responsibility for meeting the obligations of the Charity.

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.

Under the requirements of the Articles of Association of the Charity, the current Trustees may appoint new and additional Trustees, (subject to a maximum of five Trustees at any time) by passing of a resolution at a Trustees' meeting. Each trustee shall hold office for an initial term of three years, renewable by re-appointment for further terms of three years. Existing Trustees may propose the appointment of new Trustees, however, any such appointment requires approval by BAPS India.

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.

**Auditors**

MHA  
Sixth Floor  
2 London Wall Place  
London  
EC2Y 5AU

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2024

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also the directors of Brandon House Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 31<sup>st</sup> October 2025 and signed on its behalf by:



.....  
Mr G Ramparia - Trustee

### **Opinion**

We have audited the financial statements of Brandon House Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 December 2024, and of its incoming resources and application of resources, including its 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 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 expected investment income and assurances provided by the charitable company's parent company, Nilkanth Estates, to provide financial assistance should it become required.

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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

## 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 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 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:

- 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 control systems in place and testing the 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).

BRANDON HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)  
FOR THE YEAR ENDED 31ST DECEMBER 2024

		2024	As restatement 2023
		Unrestricted funds	Total Funds
	Notes	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	3,442,094	-
Investment income	3	<u>456,117</u>	<u>523,984</u>
<b>Total</b>		<u><b>3,898,211</b></u>	<u><b>523,984</b></u>
<b>EXPENDITURE ON</b>			
Raising funds	4	36,325	54,448
Charitable activities – Provision of facilities	5	36,080	28,880
<b>Total</b>		<u><b>72,405</b></u>	<u><b>83,328</b></u>
<b>NET INCOME</b>		<b>3,825,806</b>	440,656
<b>Gains/(losses) on revaluation of fixed assets</b>		<b>(1,750,000)</b>	-
<b>Net movement in funds</b>		<u><b>2,075,806</b></u>	<u><b>440,656</b></u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u><b>11,455,992</b></u>	<u>11,015,336</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>13,531,798</b></u>	<u><b>11,455,992</b></u>

The notes form part of these financial statements


BALANCE SHEET  
AT 31ST DECEMBER 2024

	Notes	2024 Unrestricted funds £	2023 Total Funds £
<b>FIXED ASSETS</b>			
Tangible assets	8	5,934,054	1,647,760
Investment properties	9	6,009,882	6,009,882
Mixed use assets/ Investment property	10	<u>8,250,000</u>	<u>10,000,000</u>
		<b><u>20,193,936</u></b>	<b><u>17,657,642</u></b>
<b>CURRENT ASSETS</b>			
Debtors	11	149,088	186,069
Cash at bank		<u>176,736</u>	<u>622,514</u>
		<b>325,824</b>	<b>808,583</b>
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(424,711)</u>	<u>(96,982)</u>
		<b>(98,887)</b>	<b>711,601</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			
		<b>20,095,049</b>	<b>18,369,243</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	<u>(6,563,251)</u>	<u>(6,913,251)</u>
		<b>13,531,798</b>	<b>11,455,992</b>
<b>NET ASSETS</b>			
<b>FUNDS</b>			
Unrestricted funds	14	<u>13,531,798</u>	<u>11,455,992</u>
		<b>13,531,798</b>	<b>11,455,992</b>

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

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

  
Dr M R Shah - Trustee

  
Mr G Ramparia - Trustee

The notes form part of these financial statements

BRANDON HOUSE LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	16	3,864,596	376,814
<b>Net cash provided by operating activities</b>		<b><u>3,864,596</u></b>	<b><u>376,814</u></b>
<b>Cash flow from investing activities:</b>			
Purchase/donation of tangible fixed assets		(4,310,374)	(7,926)
<b>Net Cash provided used in investing activities</b>		<b><u>(4,310,374)</u></b>	<b><u>(7,926)</u></b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(445,778)</b>	<b>368,888</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>622,514</u></b>	<b><u>253,626</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u>176,736</u></b>	<b><u>622,514</u></b>

**ANALYSIS OF CHANGES IN NET DEBT**

	As at 01 January 2024 £	Cash flows £	As at 31 December 2024 £
Cash at bank and in hand	622,514	(445,778)	176,736
Debt due after one year	(6,913,251)	600,000	(6,313,251)
	<b><u>(6,290,737)</u></b>	<b><u>154,222</u></b>	<b><u>(6,136,515)</u></b>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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), 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.

### **Going Concern**

The Charitable Company had net funds amounting to £13,531,798 (2023: £11,445,992) at year-end. The Trustees have assessed the going concern risks to the Charitable Company and have concluded that although it had current net liabilities as at the year end of £98,887 that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2024 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2024.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### **Income**

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

Donated fixed asset is measured at fair value, unless it is impractical to measure this reliably, in which case the cost to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity's accounting policy.

### **Rental Income**

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 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.

### **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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into 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.

#### Mixed Use Assets

Property held for a combination of financial return and contribution to the Charity's purposes is classified as mixed use assets.

Under FRS102 and Charity SORP, the element of the asset held for financial return requires revaluation at year-end fair value.

#### Taxation

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

#### 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 to which they relate.

#### Mixed Use Assets

A mixed-use asset is an asset held to generate a financial return and which also contributes to the Charity's purposes. The Charity's Brandon House property represents a mixed-use asset. The element of the asset deemed to be held for financial return is accounted for as an investment and measured at fair value at the reporting date; the Trustees have reviewed the fair value of this element at the year-end, in line with SORP requirements, and do not believe it to have materially changed since its revaluation on 31 December 2020. The element of the asset deemed to be held to contribute to the Charity's purposes is accounted for as a tangible fixed asset and measured at cost less depreciation. The Trustees have used floor area as the basis for estimating the proportions of the asset accounted for as an investment and a tangible fixed asset.

#### 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Concessionary loans

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

#### Prior year restatement

During the year the Trustees reassessed the classification of expenditure between Expenditure on Raising Funds and Expenditure of Charitable Activities. They concluded that Depreciation and Professional fees, which had previously been recognised as Expenditure on Raising Funds, in fact better represented Expenditure on Charitable Activities. As such, the comparative values have been reclassified, as detailed on the Statement of Financial Activities and Notes 4 and 5. This restatement doesn't impact the result for the year ended 31 December 2023

## 2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donated assets	3,442,094	-

During the year, 25 Gloucester Street, London property was donated from Nilkanth Estates (Parent). The property is under construction and is intended for mixed use. For Charity's own purposes and also commercial purposes.

**3. INVESTMENT INCOME**

	2024 £	2023 £
Rents received	<u>456,117</u>	<u>523,984</u>

**4. RAISING FUNDS****Investment management costs**

	2024 £	As restated 2023 £
Rates	(5,236)	(1,524)
Insurance	1,574	9,719
Bank charges	49	95
Sundries	434	13
Electricity	-	17,517
Professional fees	33,491	28,574
Interest paid	-	54
Maintenance	6,013	-
	<u>36,325</u>	<u>54,448</u>

**5. Expenditure on Charitable Activities**

	2024 £	As restated 2023 £
Depreciation	24,080	24,080
Professional fees	12,000	4,800
	<u>36,080</u>	<u>28,880</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Auditors' remuneration (including VAT):		
- Statutory audit	6,000	4,800
- Other services	<u>7,200</u>	<u>-</u>

**7. ANALYSIS OF STAFF COSTS, TRUSTEES' REMUNERATION AND BENEFITS**

The Charity is managed and operated by its Trustees and there are no employees.

The Trustees give their time voluntarily and received no remuneration nor any other benefits in the year (2023: £Nil).

No Trustee received payment for professional or other services supplied to the Charity, not incurred or received reimbursed expenses (2023: £Nil)

**8. TANGIBLE FIXED ASSETS**

	Freehold Property £	Assets under construction £	Total £
<b><u>Cost</u></b>			
At start of the year	1,720,000	-	1,720,000
Additions	-	868,280	868,280
Donated assets received	2,641,768	800,326	3,442,094
<b>At end of the year</b>	<u>4,361,768</u>	<u>1,668,606</u>	<u>6,030,374</u>
<b><u>Depreciation</u></b>			
At start of the year	72,240	-	72,240
Charge for the year	24,080	-	24,080
<b>At end of the year</b>	<u>96,320</u>	<u>-</u>	<u>96,320</u>
<b><u>Net Book Values:</u></b>			
<b>At end of the year</b>	<u><b>4,265,448</b></u>	<u><b>1,668,606</b></u>	<u><b>5,934,054</b></u>
At start of the year	<u>1,647,760</u>	<u>-</u>	<u>1,647,760</u>

During the year the property 25, Gloucester Street was donated from Nilkanth Estates. This property is under construction and it is being developed with the intention mixed use purposes of renting and own use. The accounting treatment for the property will be reflected accordingly upon completion.

**9. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 <sup>st</sup> January 2024	6,009,882
At 31 <sup>st</sup> December 2024	<u>6,009,882</u>

**10. MIXED USE ASSET/ INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1st January 2024	10,000,000
Revaluation	<u>(1,750,000)</u>
At 31 <sup>st</sup> December 2024	<u>8,250,000</u>

In line with financial reporting requirements, and at the year-end, the Trustees have reviewed the fair value of the element of the Charity's 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.

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Trade debtors	14,869	19,768
Other debtors	29,955	166,301
VAT recoverable	<u>104,264</u>	<u>-</u>
	<u>149,088</u>	<u>186,069</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Trade creditors	355,860	10,074
Other creditors	68,851	82,032
Accrued expenses	-	4,800
VAT payable	<u>-</u>	<u>76</u>
	<u>424,711</u>	<u>96,982</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024	2023
	£	£
Concessionary Loans	6,313,251	6,913,251
Loan payable – Sarjudas Foundation	250,000	-
	<u>6,563,251</u>	<u>6,913,251</u>

The Charity's parent charity, Nilkanth Estates, provided a loan to the Charity of £8,201,331 in 2017 for the purchase of the Charity's Brandon House property and to further both entities' charitable objectives.

The loan: incurred interest at 3% per annum until 31 December 2020 after which the 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. Nilkanth Estates has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes.

During the year, Sarjudas Foundation provided loan of £250,000 to the Charity. The loan is unsecured, interest free and repayable after five years from December 2024.

**14. RELATED PARTY DISCLOSURES**

As detailed in Note 13, the Charity has a concessionary loan with its ultimate controlling party Nilkanth Estates (see Note 15). Movements in the outstanding balance of the loan are detailed in the below table.

	2024	2023
	£	£
Loan principal	8,271,331	8,271,331
Interest accruals of earlier periods	941,920	941,920
Cumulative Loan repayment	<u>(2,900,000)</u>	<u>(2,300,000)</u>
Balance payable to Nilkanth Estates	<u><u>6,313,251</u></u>	<u><u>6,913,251</u></u>

Brandon House Limited received loans amounting to £250,000 (2023: £Nil) from Sarjudas Foundation during the year. Brandon House Limited and Sarjudas Foundation have a trustee in common.

During the year Nilkanth estates donated property to Brandon House Limited. The donated asset amounted to £3,442,094 and is still under construction.

**15. ULTIMATE CONTROLLING PARTY**

The company is a company limited by guarantee and the sole guarantor is Nilkanth Estates (Reg. Charity no. 1148431). The latter is incorporated and registered in England & Wales (Company registration no. 10612051).

Consolidated financial statements of Nilkanth Estates are available online at the Companies House website, and at Nilkanth Estates, 1 Pramukh Swami Road, Neasden, Greater London NW10 8HW.

**16. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024	2023
	£	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>2,075,806</b>	<b>440,657</b>
<b>Adjustments for:</b>		
Depreciation	24,080	24,080
(Gain)/loss on revaluation of mixed use property	1,750,000	-
Decrease in debtors	36,981	1,199,232
Decrease in creditors	<u>(22,271)</u>	<u>(1,287,155)</u>
<b>Net cash provided by operating activities</b>	<u><u>3,864,596</u></u>	<u><u>376,814</u></u>

**BRANDON HOUSE LIMITED**

England & Wales - Charity number 1172517

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# Accounts

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**REGISTERED COMPANY NUMBER: 10612051 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172517**

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023  
FOR  
BRANDON HOUSE LIMITED

BRANDON HOUSE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2023. The Trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charitable company's purposes, as set out in the Objects clause contained in the Company'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 nominal or market rent.

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

The Charity seeks to meet its aims and objectives by periodically donating surplus funds to other charities which promote and deliver the same aims and objectives such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS) or to its parent charity, Nilkanth Estates, who share the same aims and objectives.

### **Achievements in the year**

During the year, the Charity continued to receive rental income from the letting of its industrial units and provided part of its buildings at a peppercorn rent for use by BAPS for its charitable purposes which are similar to those of the Charity.

The Charity also purchased a new property in the year. The income generated from letting this property in future will contribute to the furtherance of Charity's aims and objectives.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities on a yearly basis. This review looks at what we achieved and the outcomes of our work in the current period and to continue the review on an ongoing basis. 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**

Volunteers are an important resource for the Charity and are involved in all of our activities. The Trustees also give their time freely.

## FINANCIAL REVIEW

### Financial review

The Statement of Financial Activities (SOFA) shows net incoming and outgoing resources for the year.

During the year, the Charity had a net income before gain on revaluation of investment properties of £440,657 (2022: £7,550,963).

As at the balance sheet date, the Charity has net funds of £11,445,992 (2022: £11,015,336).

The Trustees have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2023 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2023.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### Principal funding sources

The Charity's activities are mainly financed by funds raised through rental income, voluntary donations and financial support from its parent, Nilkanth Estates.

### Reserves policy

The Trustees review the Reserve Policy annually. Their policy is to hold sufficient cash reserves to meet the operating costs of the Charity which are minimal and in respect of premises costs of the property used by BAPS for charitable purposes. The charity held cash reserves of £622,514 (2022: £253,626). Surplus funds from donations and rental income are accumulated and used for the furtherance of the Charity's objectives.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

Brandon House Limited is a registered charity (number 1172517) under the Charities Act 2011 and is a charitable organisation incorporated in England on 9 February 2017 as a company limited by guarantee under Company number 10612051.

The Charity is controlled by its governing document, Memorandum and Articles of Association.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10612051 (England and Wales)

**Registered Charity number**

1172517

**Registered office**

104 College Road  
Harrow  
HA1 1BQ

**Trustees**

Mr K Bhattessa	Hotelier
Mr Y M Patel	Company Director
Mr J M Patel	Company Director
Dr M R Shah	Doctor

There are five Trustees in post during the year, and four at the year-end, and they have responsibility for meeting the obligations of the Charity.

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.

Under the requirements of the Articles of Association of the Charity, the current Trustees may appoint new and additional Trustees, (subject to a maximum of five Trustees at any time) by passing of a resolution at a Trustees' meeting. Each trustee shall hold office for an initial term of three years, renewable by re-appointment for further terms of three years. Existing Trustees may propose the appointment of new Trustees, however, any such appointment requires approval by BAPS India.

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.

**Auditors**

MHA  
Sixth Floor  
2 London Wall Place  
London  
EC2Y 5AU

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also the directors of Brandon House Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:


- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 23<sup>rd</sup> Sept. 2024 and signed on its behalf by:



Mr J M Patel - Trustee

### **Opinion**

We have audited the financial statements of Brandon House Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its 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 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 expected investment income and assurances provided by the charitable company's parent company, Nilkanth Estates, to provide financial assistance should it become required.

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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

## **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 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 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:

- 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 control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and

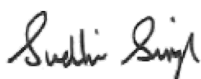
- other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and 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)

BRANDON HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)  
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	2023 Unrestricted funds £	2022 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	-	7,200,000
Investment income	3	<u>523,984</u>	<u>399,999</u>
<b>Total</b>		<u>523,984</u>	<u>7,599,999</u>
<b>EXPENDITURE ON</b>			
Raising funds	4	<u>83,328</u>	<u>49,037</u>
<b>Total</b>		<u>83,328</u>	<u>49,037</u>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>440,657</b>	<b>7,550,963</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>11,015,336</u>	<u>3,464,373</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>11,455,992</u>	<u>11,015,336</u>

The notes form part of these financial statements

BALANCE SHEET  
AT 31ST DECEMBER 2023

	Notes	2023 Unrestricted funds £	2022 Total Funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	1,647,760	1,671,840
Investment properties	8	6,009,882	6,001,956
Mixed use assets/ Investment property	9	<u>10,000,000</u>	<u>10,000,000</u>
		<u>17,657,642</u>	<u>17,673,796</u>
<b>CURRENT ASSETS</b>			
Debtors	10	186,069	1,385,303
Cash at bank		<u>622,514</u>	<u>253,626</u>
		808,583	1,638,929
<b>CREDITORS</b>			
Amounts falling due within one year	11	(96,982)	(84,138)
		<u>711,601</u>	<u>1,554,791</u>
<b>NET CURRENT ASSETS</b>			
		<u>18,369,243</u>	<u>19,228,587</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	(6,913,251)	(8,213,251)
		<u>11,455,992</u>	<u>11,015,336</u>
<b>NET LIABILITIES</b>			
<b>FUNDS</b>	13		
Unrestricted funds		<u>11,455,992</u>	<u>11,015,336</u>
<b>TOTAL FUNDS</b>		<u>11,455,992</u>	<u>11,015,336</u>

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

The financial statements were approved by the Board of Trustees on 23<sup>rd</sup> Sept. 2024 and were signed on its behalf by:

  
Mr J M Patel -Trustee

  
Dr Mayank K Shah -Trustee

BRANDON HOUSE LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	16	<u>376,814</u>	<u>5,877,195</u>
<b>Net cash provided by (used in) operating activities</b>		<u>376,814</u>	<u>5,877,195</u>
<b>Cash flow from investing activities:</b>			
Purchase of investment property		(7,926)	(6,001,956)
<b>Net Cash provided by (used in) investing activities</b>		<u>(7,926)</u>	<u>(6,001,956)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>368,888</b>	<b>(124,761)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>253,626</u>	<u>378,387</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>622,514</u>	<u>253,626</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	As at 01 January 2023 £	Cash flows £	As at 31 December 2023 £
Cash at bank and in hand	253,626	368,888	622,514
Debt due after one year	(8,213,251)	1,300,000	(6,913,251)
	<u>(7,959,625)</u>	<u>1,668,888</u>	<u>(6,290,737)</u>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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), 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.

### **Going Concern**

The Charitable Company had net funds amounting to £11,445,992 (2022: £11,015,336) at year-end. The Trustees have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2023 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2023.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### **Income**

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

### **Rental Income**

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 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.

### **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.

**1. ACCOUNTING POLICIES – continued****Mixed Use Assets**

Property held for a combination of financial return and contribution to the Charity's purposes is classified as mixed use assets.

Under FRS102 and Charity SORP, the element of the asset held for financial return requires revaluation at year-end fair value.

**Taxation**

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

**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 to which they relate.

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

**Mixed Use Assets**

A mixed-use asset is an asset held to generate a financial return and which also contributes to the Charity's purposes. The Charity's Brandon House property represents a mixed-use asset. The element of the asset deemed to be held for financial return is accounted for as an investment and measured at fair value at the reporting date; the Trustees have reviewed the fair value of this element at the year-end, in line with SORP requirements, and do not believe it to have materially changed since its revaluation on 31 December 2020. The element of the asset deemed to be held to contribute to the Charity's purposes is accounted for as a tangible fixed asset and measured at cost less depreciation. The Trustees have used floor area as the basis for estimating the proportions of the asset accounted for as an investment and a tangible fixed asset.

**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.

**Concessionary loans**

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations	-	7,200,000
	<u>          </u>	<u>          </u>

**3. INVESTMENT INCOME**

	2023	2022
	£	£
Rents received	<u>523,984</u>	<u>399,999</u>

**4. RAISING FUNDS**

**Investment management costs**

	2023	2022
	£	£
Rates	(1,524)	(1,161)
Insurance	9,719	3,657
Bank charges	95	15
Sundries	13	13
Electricity	17,517	16,675
Depreciation	24,080	24,080
Professional fees	33,374	5,758
Interest paid	54	-
	<u>83,328</u>	<u>49,037</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	<u>4,800</u>	<u>4,200</u>

**6. ANALYSIS OF STAFF COSTS, TRUSTEES' REMUNERATION AND BENEFITS**

The Charity is managed and operated by its Trustees and there are no employees.

All Trustees give their time voluntarily and receive no remuneration or benefits from the Charity.

There were no Trustees' expenses paid for the year ended 31st December 2023 nor for the year ended 31st December 2022.

## 7. TANGIBLE FIXED ASSETS

	Freehold buildings £
<b><u>Cost</u></b>	
At 1st January 2023	1,720,000
At 31 <sup>st</sup> December 2023	<u>1,720,000</u>
<b><u>Depreciation</u></b>	
At 1 <sup>st</sup> January 2023	48,160
Charge for the year	24,080
At 31 <sup>st</sup> December 2023	<u>72,240</u>
<b><u>Net Book Values:</u></b>	
At 1 <sup>st</sup> January 2023	<u>1,647,760</u>
At 31 <sup>st</sup> December 2023	<u>1,671,840</u>

## 8. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 <sup>st</sup> January 2023	6,001,956
Additions	7,926
At 31 <sup>st</sup> December 2023	<u>6,009,882</u>

## 9. MIXED USE ASSET/ INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1st January 2023	10,000,000
At 31 <sup>st</sup> December 2023	<u>10,000,000</u>

In line with financial reporting requirements, and at the year-end, the Trustees have reviewed the fair value of the element of the Charity's Brandon House property which is used for investment purposes. They do not believe it to have materially changed in fair value since its revaluation on 31 December 2020 which used an informal valuation from a RICS-accredited property advisor, and trustee consideration of then current market factors.

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade debtors	19,768	19,002
Other debtors	166,301	166,301
VAT recoverable	-	<u>1,200,000</u>
	<u>186,069</u>	<u>1,385,303</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade creditors	10,074	12,462
Other creditors	82,033	67,056
Accrued expenses	4,800	4,620
VAT payable	<u>76</u>	<u>-</u>
	<u>96,983</u>	<u>84,138</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023 £	2022 £
Concessionary Loans	<u>6,913,251</u>	<u>8,213,251</u>

The Charity's parent charity, Nilkanth Estates, provided a loan to the Charity of £8,201,331 in 2017 for the purchase of the Charity's Brandon House property and to further both entities' charitable objectives.

The loan: incurred interest at 3% per annum until 31 December 2020 after which the 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. Nilkanth Estates has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes.

**13. MOVEMENT IN FUNDS**

Unrestricted funds	2023 £	2022
At start of the year	11,015,336	3,464,373
Incoming resources	523,984	7,599,999
Resources expended	(83,328)	(49,036)
	<u>11,455,992</u>	<u>11,015,336</u>

**14. RELATED PARTY DISCLOSURES**

As detailed in Note 12, the Charity has a concessionary loan with its ultimate controlling party Nilkanth Estates (see Note 15). Movements in the outstanding balance of the loan are detailed in the below table.

	2023	2022
	£	£
Loan principal	8,271,331	8,271,331
Interest accruals of earlier periods	941,920	941,920
Cumulative Loan repayment	<u>(2,300,000)</u>	<u>(1,000,000)</u>
Balance payable to Nilkanth Estates	<u>6,913,251</u>	<u>8,213,251</u>

Brandon House Limited received unrestricted donations of £Nil (2022: £7.2m) from Sarjudas Foundation during the year. Brandon House Limited and Sarjudas Foundation have a trustee in common.

**15. ULTIMATE CONTROLLING PARTY**

The company is a company limited by guarantee and the sole guarantor is Nilkanth Estates (Reg. Charity no.1148431). The latter is incorporated and registered in England & Wales.

Consolidated financial statements of Nilkanth Estates are available online at the Companies House website.

**16. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	440,657	7,550,963
Adjustments for:		
Depreciation	24,080	24,080
(Increase)/Decrease in debtors	1,199,232	(1,202,562)
(Decrease)/Increase in creditors	<u>(1,287,155)</u>	<u>(495,286)</u>
Net cash provided by operating activities	<u>376,814</u>	<u>5,877,195</u>

**BRANDON HOUSE LIMITED**

England & Wales - Charity number 1172517

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# Accounts

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**REGISTERED COMPANY NUMBER: 10612051 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172517**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022  
FOR  
BRANDON HOUSE LIMITED**

BRANDON HOUSE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2022

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Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 16

## BRANDON HOUSE LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2022

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2022. The Trustees have adopted the provisions of 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).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charitable company's purposes, as set out in the Objects clause contained in the Company'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 nominal or market rent.

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

The Charity seeks to meet its aims and objectives by periodically donating surplus funds to other charities which promote and deliver the same aims and objectives such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS) or to its parent charity, Nilkanth Estates, who share the same aims and objectives.

##### **Achievements in the year**

During the year, the Charity continued to receive rental income from the letting of its industrial units and provided part of its buildings at a peppercorn rent for use by BAPS for its charitable purposes which are similar to those of the Charity.

The Charity also purchased a new property in the year. The income generated from letting this property in future will contribute to the furtherance of Charity's aims and objectives.

##### **Ensuring our work delivers our aims**

We review our aims, objectives and activities on a yearly basis. This review looks at what we achieved and the outcomes of our work in the current period and to continue the review on an ongoing basis. 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**

Volunteers are an important resource for the Charity and are involved in all of our activities. The Trustees also give their time freely.

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2022

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## **FINANCIAL REVIEW**

### **Financial review**

The Statement of Financial Activities (SOFA) shows net incoming and outgoing resources for the year.

During the year, the Charity had a net income before gain on revaluation of investment properties of £7,550,963 (2021: deficit £226,683).

As at the balance sheet date, the Charity has net funds of £11,015,336 (2021: £3,464,373).

The Trustees have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2023 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2022.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### **Principal funding sources**

The Charity's activities are mainly financed by funds raised through rental income, voluntary donations and financial support from its parent, Nilkanth Estates.

### **Reserves policy**

The Trustees review the Reserve Policy annually. Their policy is to hold sufficient cash reserves to meet the operating costs of the Charity which are minimal and in respect of premises costs of the property used by BAPS for charitable purposes. Surplus funds from donations and rental income are accumulated and used for the furtherance of the Charity's objectives.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Brandon House Limited is a registered charity (number 1172517) under the Charities Act 2011 and is a charitable organisation incorporated in England on 9 February 2017 as a company limited by guarantee under Company number 10612051.

The Charity is controlled by its governing document, Memorandum and Articles of Association.

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2022

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10612051 (England and Wales)

**Registered Charity number**

1172517

**Registered office**

104 College Road  
Harrow  
HA1 1BQ

**Trustees**

Mr K Bhattessa

Hotelier

Mr Y M Patel

Company Director

Mr J M Patel

Company Director

Dr M R Shah

Doctor

Mr H V Patel

Company Director (Resigned on 14/04/2022)

There are five Trustees in post during the year, and four at the year-end, and they have responsibility for meeting the obligations of the Charity.

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.

Under the requirements of the Articles of Association of the Charity, the current Trustees may appoint new and additional Trustees, (subject to a maximum of five Trustees at any time) by passing of a resolution at a Trustees' meeting. Each trustee shall hold office for an initial term of three years, renewable by re-appointment for further terms of three years. Existing Trustees may propose the appointment of new Trustees, however, any such appointment requires approval by BAPS India.

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.

**Auditors**

MHA

Sixth Floor

2 London Wall Place

London

EC2Y 5AU

BRANDON HOUSE LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2022

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also the directors of Brandon House Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

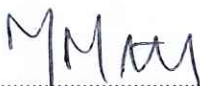
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 26/09/2023 and signed on its behalf by:

  
.....  
Mr Y M Patel - Trustee

BRANDON HOUSE LIMITED

REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**Opinion**

We have audited the financial statements of Brandon House Limited (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its 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 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 expected investment income and assurances provided by the charitable company's parent company, Nilkanth Estates, to provide financial assistance should it become required.

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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

## **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 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 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:

- 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 control systems in place and testing the 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: 29 September 2023

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

BRANDON HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)  
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 Unrestricted funds £	2021 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	7,200,000	-
Investment income	3	<u>399,999</u>	<u>266,667</u>
<b>Total</b>		<b><u>7,599,999</u></b>	<b><u>266,667</u></b>
<b>EXPENDITURE ON</b>			
Raising funds	4	<u>49,037</u>	<u>39,984</u>
<b>Total</b>		<b><u>49,037</u></b>	<b><u>39,984</u></b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>7,550,963</b>	<b>226,683</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<u>3,464,373</u>	<u>3,237,690</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>11,015,336</u></b>	<b><u>3,464,373</u></b>


The notes form part of these financial statements

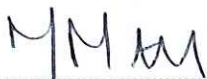
BALANCE SHEET  
AT 31ST DECEMBER 2022

	Notes	2022 Unrestricted funds £	2021 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	1,671,840	1,695,920
Investment properties	8	6,001,956	-
Mixed use assets/ Investment property	9	<u>10,000,000</u>	<u>10,000,000</u>
		<u>17,673,796</u>	<u>11,695,920</u>
<b>CURRENT ASSETS</b>			
Debtors	10	1,385,303	182,741
Cash at bank		<u>253,626</u>	<u>378,387</u>
		1,638,929	561,128
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>(84,138)</u>	<u>(79,424)</u>
		<u>1,554,791</u>	<u>481,704</u>
<b>NET CURRENT ASSETS</b>			
		<u>1,554,791</u>	<u>481,704</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		19,228,587	12,177,624
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	<u>(8,213,251)</u>	<u>(8,713,251)</u>
		<u>11,015,336</u>	<u>3,464,373</u>
<b>NET LIABILITIES</b>			
		<u>11,015,336</u>	<u>3,464,373</u>
<b>FUNDS</b>			
Unrestricted funds	13	<u>11,015,336</u>	<u>3,464,373</u>
		<u>11,015,336</u>	<u>3,464,373</u>

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

The financial statements were approved by the Board of Trustees on 26/09/2023 and were signed on its behalf by:

  
.....  
Mr J M Patel - Trustee

  
.....  
Mr Y M Patel - Trustee

BRANDON HOUSE LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	16	<u>5,877,195</u>	<u>(246,059)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>5,877,195</u>	<u>(246,059)</u>
<b>Cash flow from investing activities:</b>			
Purchase of investment property		(6,001,956)	-
<b>Net Cash provided by (used in) investing activities</b>		<u>(6,001,956)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(124,761)</u>	<u>(246,059)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>378,387</u>	<u>624,446</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>253,626</u>	<u>378,387</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	As at 01 January 2022 £	Cash flows £	As at 31 December 2022 £
Cash at bank and in hand	378,387	(124,761)	253,626
Debt due after one year	(8,713,251)	500,000	(8,213,251)
	<u>(8,334,864)</u>	<u>375,239</u>	<u>(7,959,625)</u>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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), 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.

### **Going Concern**

The Charitable Company had net funds amounting to £11,015,336 (2021: £3,464,373) at year-end. The Trustees have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2023 by Nilkanth Estates on its loan to the Charity, which Nilkanth Estates has confirmed will not be repayable until at least one year from 31 December 2022.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### **Income**

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

### **Rental Income**

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 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.

### **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.

**1. ACCOUNTING POLICIES – continued****Mixed Use Assets**

Property held for a combination of financial return and contribution to the Charity's purposes is classified as mixed use assets.

Under FRS102 and Charity SORP, the element of the asset held for financial return requires revaluation at year-end fair value.

**Taxation**

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

**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 to which they relate.

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

**Mixed Use Assets**

A mixed-use asset is an asset held to generate a financial return and which also contributes to the Charity's purposes. The Charity's Brandon House property represents a mixed-use asset. The element of the asset deemed to be held for financial return is accounted for as an investment and measured at fair value at the reporting date; the Trustees have reviewed the fair value of this element at the year-end, in line with SORP requirements, and do not believe it to have materially changed since its revaluation on 31 December 2020. The element of the asset deemed to be held to contribute to the Charity's purposes is accounted for as a tangible fixed asset and measured at cost less depreciation. The Trustees have used floor area as the basis for estimating the proportions of the asset accounted for as an investment and a tangible fixed asset.

**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.

**Concessionary loans**

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND LEGACIES**

	2022 £	2021 £
Donations	7,200,000	-
	<u>                    </u>	<u>                    </u>

**3. INVESTMENT INCOME**

	2022 £	2021 £
Rents received	399,999	266,667
	<u>                    </u>	<u>                    </u>

BRANDON HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2021

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4. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Rates	(1,161)	412
Gas	-	621
Insurance	3,657	1,900
Bank charges	15	44
Sundries	13	13
Electricity	16,675	8,601
Depreciation	24,080	24,080
Professional fees	5,758	4,314
	<u>49,037</u>	<u>39,985</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	<u>4,620</u>	<u>4,200</u>

6. ANALYSIS OF STAFF COSTS, TRUSTEES' REMUNERATION AND BENEFITS

The Charity is managed and operated by its Trustees and there are no employees.

All Trustees give their time voluntarily and receive no remuneration or benefits from the Charity.

There were no Trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

## BRANDON HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2022

## 7. TANGIBLE FIXED ASSETS

	Freehold buildings £
<b><u>Cost</u></b>	
At 1st January 2022	1,720,000
	-----
<b>At 31 December 2022</b>	<b><u>1,720,000</u></b>
<b><u>Depreciation</u></b>	
At start of the year	24,080
Charge for the year	24,080
	-----
<b>At end of the year</b>	<b><u>48,160</u></b>
<b><u>Net Book Values:</u></b>	
<b>At end of the year</b>	<b><u>1,671,840</u></b>
<b>At start of the year</b>	<b><u>1,695,920</u></b>

## 8. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 <sup>st</sup> January 2022	-
Additions	6,001,956
	-----
At 31 <sup>st</sup> December 2022	<b><u>6,001,956</u></b>

## 9. MIXED USE ASSET/ INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1st January 2022	10,000,000
	-----
At 31 <sup>st</sup> December 2022	<b><u>10,000,000</u></b>

In line with financial reporting requirements, and at the year-end, the Trustees have reviewed the fair value of the element of the Charity's Brandon House property which is used for investment purposes. They do not believe it to have materially changed in fair value since its revaluation on 31 December 2020 which used an informal valuation from a RICS-accredited property advisor, and trustee consideration of then current market factors.

## BRANDON HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2022**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade debtors	19,002	16,440
Other debtors	166,301	166,301
VAT recoverable	<u>1,200,000</u>	-
	<u>1,385,303</u>	<u>182,741</u>

As detailed in Note 8 above, the Charity purchased a new investment property during the year. As the property has an option to tax on it, VAT was paid when purchasing it and has since been reclaimed by the Charity from HMRC.

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	12,462	8,313
Other creditors	67,056	66,911
Accrued expenses	<u>4,620</u>	<u>4,200</u>
	<u>84,138</u>	<u>79,424</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021
	£	£
Concessionary Loans	<u>8,213,251</u>	<u>8,713,251</u>

The Charity's parent charity, Nilkanth Estates, provided a loan to the Charity of £8,201,331 in 2017 for the purchase of the Charity's Brandon House property and to further both entities' charitable objectives.

The loan: incurred interest at 3% per annum until 31 December 2020 after which the 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. Nilkanth Estates has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes.

**13. MOVEMENT IN FUNDS**

Unrestricted funds	2022	2021
	£	
At start of the year	3,464,373	3,237,690
Incoming resources	7,599,999	266,667
Resources expended	<u>(49,036)</u>	<u>(39,984)</u>
<b>At end of the year</b>	<u><b>11,015,336</b></u>	<u><b>3,464,373</b></u>

**14. RELATED PARTY DISCLOSURES**

Included in Creditors is a Concessionary loan received from Nilkanth Estates, a registered Charity with common Trustees/Directors and also being the sole member of this company. The total loan at 31 December 2022 is £8,213,251 and includes £8,201,331 for the purchase of the investment property held by the Charity together with rolled-up interest at 3% per annum. The loan is repayable on an indeterminate period. The Concessionary loan has been provided by the Charity as Brandon House uses part of the property for charitable purposes.

	2022	2021
	£	£
Loan principal	8,271,331	8,271,331
Interest accruals of earlier periods	941,920	941,920
Cumulative Loan repayment	<u>(1,000,000)</u>	<u>(500,000)</u>
Balance payable to Nilkanth Estates	<u>8,213,251</u>	<u>8,713,251</u>

Brandon House Limited received unrestricted donations of £7.2m (2021: £Nil) from Sarjudas Foundation during the year. Brandon House Limited and Sarjudas Foundation has a trustee in common.

**15. ULTIMATE CONTROLLING PARTY**

The company is a company limited by guarantee and the sole guarantor is Nilkanth Estates (Reg. Charity no.1148431). The latter is incorporated and registered in England & Wales.

Consolidated financial statements of Nilkanth Estates are available online at the Companies House website.

**16. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	7,550,963	226,683
<b>Adjustments for:</b>		
Depreciation	24,080	24,080
(Increase)/Decrease in debtors	(1,202,562)	5,287
(Decrease)/Increase in creditors	<u>(495,286)</u>	<u>(502,109)</u>
Net cash provided by operating activities	<u>5,877,195</u>	<u>(246,059)</u>

**BRANDON HOUSE LIMITED**

England & Wales - Charity number 1172517

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# Accounts

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**REGISTERED COMPANY NUMBER: 10612051 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172517**

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021  
FOR  
BRANDON HOUSE LIMITED

BRANDON HOUSE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021

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Statement of Cash Flows	10
Notes to the Financial Statements	11 to 16

The Trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2021. The Trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charitable company's purposes, as set out in the Objects clause contained in the Company'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 nominal or market rent.

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

The Charity seeks to meet its aims and objectives by periodically donating surplus funds to other charities which promote and deliver the same aims and objectives such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS) or to its parent charity, Nilkanth Estates, who share the same aims and objectives.

### **Achievements in the year**

During the year, the Charity continued to receive rental income from the letting of its industrial units and provided part of its buildings at a peppercorn rent for use by BAPS for its charitable purposes which are similar to those of the Charity.

### **Impact of Covid 19**

Despite the lockdown and restrictions imposed on the Charity as a result of the Covid-19 pandemic, the Charity did not suffer significantly from loss of income from its investment property despite having given a rent concession to the tenant till 31 December 2021 to assist them with disruptions to their business as a consequence of the pandemic. Businesses generally have been given such temporary concessions and with the nation coming out of the pandemic, business is returning and full rents resumed.

BAPS, were prohibited from holding congregations during the pandemic, however, expect to resume activities as restrictions are eased. Governance of the Charity by its Trustees was not impacted.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities on a yearly basis. This review looks at what we achieved and the outcomes of our work in the current period and to continue the review on an ongoing basis. 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**

Volunteers are an important resource for the Charity and are involved in all of our activities. The Trustees also give their time freely.

## **FINANCIAL REVIEW**

### **Financial review**

The Statement of Financial Activities (SOFA) shows net incoming and outgoing resources for the year.

During the year, the Charity had a net income before gain on revaluation of investment properties of £226,683 [2020: deficit £2,343].

As at the balance sheet date, the Charity has net funds of £3,464,373 (2020: £3,237,690).

During the year the Charity had net income. The net expenditure (before gains on revaluation of net assets) in the previous year arose as a result of the rent concession to tenants during the pandemic referred to above. Full rents are received from 1 January 2022.

The Charity is supported by its parent, Nilkanth Estates, which has surplus unrestricted funds of £83m at 31 December 2021 and, therefore, these financial statements have been prepared on a going concern basis.

### **Principal funding sources**

The Charity's activities are mainly financed by funds raised through rental income, voluntary donations and financial support from its parent, Nilkanth Estates.

### **Reserves policy**

The Trustees review the Reserve Policy annually. Their policy is to hold sufficient cash reserves to meet the operating costs of the Charity which are minimal and in respect of premises costs of the property used by BAPS for charitable purposes. Surplus funds from donations and rental income are accumulated and used for the furtherance of the Charity's objectives.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Brandon House Limited is a registered charity (number 1172517) under the Charities Act 2011 and is a charitable organisation incorporated in England on 9 February 2017 as a company limited by guarantee under Company number 10612051.

The Charity is controlled by its governing document, Memorandum and Articles of Association.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10612051 (England and Wales)

**Registered Charity number**

1172517

**Registered office**

104 College Road  
Harrow  
HA1 1BQ

**Trustees**

Mr K Bhattessa

Hotelier

Mr Y M Patel

Company Director

Mr V H Patel

Retired (stood down 14.04.2022)

Mr J M Patel

Company Director

Dr M R Shah

Doctor

There are 5 Trustees and they have responsibility for meeting the obligations of the Charity.

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.

Under the requirements of the Articles of Association of the Charity, the current Trustees may appoint new and additional Trustees, (subject to a maximum of five Trustees at any time) by passing of a resolution at a Trustees' meeting. Each trustee shall hold office for an initial term of three years, renewable by re-appointment for further terms of three years. Existing Trustees may propose the appointment of new Trustees, however, any such appointment requires approval by BAPS India.

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.

**Auditors**

MHA MacIntyre Hudson  
Sixth Floor  
2 London Wall Place  
London  
EC2Y 5AU

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also the directors of Brandon House Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on ..... *8th September 2021* ..... and signed on its behalf by:

*Y M Patel*

.....  
Mr Y M Patel - Trustee

## Opinion

We have audited the financial statements of Brandon House Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its 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 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 expected investment income and assurances provided by the charitable company's parent company, Nilkanth Estates, to provide financial assistance should it become required.

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 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

### **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 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 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:

- 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 control systems in place and testing the effectiveness of the controls;

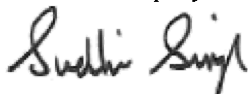
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- 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 behalf of  
**MHA MacIntyre Hudson**  
Statutory Auditor  
London, United Kingdom

Date: 27 September 2022

BRANDON HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)  
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 Unrestricted funds £	2020 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	-	4,389
Investment income	3	<u>266,667</u>	<u>266,668</u>
<b>Total</b>		<u>266,667</u>	<u>271,057</u>
<b>EXPENDITURE ON</b>			
Raising funds	4	39,984	5,053
Provision of facilities	13	<u>-</u>	<u>268,347</u>
<b>Total</b>		<u>39,984</u>	<u>273,400</u>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>226,683</b>	<b>(2,343)</b>
Gains on Revaluation of fixed assets	12	-	3,518,669
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>3,237,690</u>	<u>(278,636)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>3,464,373</u>	<u>3,237,690</u>

The notes form part of these financial statements

BALANCE SHEET  
AT 31ST DECEMBER 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
<b>FIXED ASSETS</b>			
Tangible Assets	7	1,695,920	1,720,000
Mixed use assets/ Investment property	8	<u>10,000,000</u>	<u>10,000,000</u>
		<u>11,695,920</u>	<u>11,720,000</u>
<b>CURRENT ASSETS</b>			
Debtors	9	182,741	188,028
Cash at bank		<u>378,387</u>	<u>624,446</u>
		561,128	812,474
<b>CREDITORS</b>			
Amounts falling due within one year	10	(79,424)	(81,533)
		<u>481,704</u>	<u>730,941</u>
<b>NET CURRENT ASSETS</b>			
		<u>481,704</u>	<u>730,941</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		12,177,624	12,450,941
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	(8,713,251)	(9,213,251)
		<u>3,464,373</u>	<u>3,237,690</u>
<b>NET LIABILITIES</b>			
		<u>3,464,373</u>	<u>3,237,690</u>
<b>FUNDS</b>			
Unrestricted funds	12	<u>3,464,373</u>	<u>3,237,690</u>
<b>TOTAL FUNDS</b>			
		<u>3,464,373</u>	<u>3,237,690</u>

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

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



Mr J M Patel -Trustee



Mr Y M Patel -Trustee

The notes form part of these financial statements

BRANDON HOUSE LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	15	<u>(246,059)</u>	<u>300,649</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(246,059)</u>	<u>300,649</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(246,059)	300,649
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>624,446</u>	<u>323,797</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>378,387</u>	<u>624,446</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	As at 01 January 2021 £	Cash flows £	As at 31 December 2021 £
Cash at bank and in hand	624,446	(246,059)	378,387
Debt due after one year	(9,213,251)	500,000	(8,713,251)
	<u>(8,588,805)</u>	<u>253,941</u>	<u>(8,334,864)</u>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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), 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.

### **Going Concern**

The Charitable Company had net funds amounting to £3,464,373 (2020: £3,237,690) at year-end. The Directors have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2023 by Nilkanth Estates on its loan to the Charity.

In light of the above, the Charity does not believe there to be a material uncertainty regarding its going concern.

### **Income**

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

### **Rental Income**

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 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.

### **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.

**1. ACCOUNTING POLICIES – continued****Mixed Use Assets**

Property held for a combination of financial return and contribution to the Charity's purposes is classified as mixed use assets.

Under FRS102 and Charity SORP, the element of the asset held for financial return requires revaluation at year-end fair value.

**Taxation**

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

**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 to which they relate.

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

**Mixed Use Assets**

A mixed-use asset is an asset held to generate a financial return and which also contributes to the Charity's purposes. The Charity's Brandon House property represents a mixed-use asset. The element of the asset deemed to be held for financial return is accounted for as an investment and measured at fair value at the reporting date; the Trustees have reviewed the fair value of this element at the year-end, in line with SORP requirements, and do not believe it to have materially changed since its revaluation on 31 December 2020. The element of the asset deemed to be held to contribute to the Charity's purposes is accounted for as a tangible fixed asset and measured at cost less depreciation. The Trustees have used floor area as the basis for estimating the proportions of the asset accounted for as an investment and a tangible fixed asset.

**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.

**Concessionary loans**

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND LEGACIES**

	2021 £	2020 £
Donations	-	4,389
	<u>          </u>	<u>          </u>

**3. INVESTMENT INCOME**

	2021 £	2020 £
Rents received	<u>266,667</u>	<u>266,668</u>

**4. RAISING FUNDS****Investment management costs**

	2021	2020
	£	£
Rates	412	(10,351)
Gas	621	305
Repairs and maintenance	-	275
Insurance	1,900	2,650
Bank charges	44	33
Sundries	13	13
Electricity	8,601	7,928
Depreciation	24,080	-
Professional fees	4,314	4,200
	<u>39,985</u>	<u>5,053</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	<u>4,200</u>	<u>4,200</u>

**6. ANALYSIS OF STAFF COSTS, TRUSTEES' REMUNERATION AND BENEFITS**

The Charity is managed and operated by its Trustees and there are no employees.

All Trustees give their time voluntarily and receive no remuneration or benefits from the Charity.

There were no Trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

## 7. TANGIBLE FIXED ASSETS

	Freehold buildings £
<b><u>Cost</u></b>	
At 1st January 2021	1,720,000
<b>At 31 December 2021</b>	<b><u>1,720,000</u></b>
<b><u>Depreciation</u></b>	
At start of the year	-
Charge for the year	24,080
<b>At end of the year</b>	<b><u>24,080</u></b>
<b><u>Net Book Values:</u></b>	
At end of the year	<u>1,695,920</u>
At start of the year	<u>1,720,000</u>

## 8. MIXED USE ASSET/ INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1st January 2021	10,000,000
<b>At 31<sup>st</sup> December 2021</b>	<b><u>10,000,000</u></b>

In line with financial reporting requirements, and at the year-end, the Trustees have reviewed the fair value of the element of the Charity's Brandon House property which is used for investment purposes. They do not believe it to have materially changed in fair value since its revaluation on 31 December 2020, which used an informal valuation from a RICS-accredited property advisor, and trustee consideration of then current market factors.

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	16,440	21,727
Other debtors	<u>166,301</u>	<u>166,301</u>
	<u>182,741</u>	<u>188,028</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	8,313	10,429
Other creditors	66,911	66,904
Accrued expenses	<u>4,200</u>	<u>4,200</u>
	<u>79,424</u>	<u>81,533</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Concessionary Loans	<u>8,713,251</u>	<u>9,213,251</u>

The Charity's parent charity, Nilkanth Estates, provided a loan to the Charity of £8,201,331 in 2017 for the purchase of the Charity's Brandon House 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. Nilkanth Estates has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes.

**12. MOVEMENT IN FUNDS**

Unrestricted funds	2021 £	2020
At start of the year	3,237,690	(278,636)
Incoming resources	266,667	271,057
Resources expended	(39,984)	(273,400)
Gain on revaluation of fixed asset investments	-	3,518,669
	<u>3,464,373</u>	<u>3,237,690</u>
<b>At end of the year</b>	<u>3,464,373</u>	<u>3,237,690</u>

**13. RELATED PARTY DISCLOSURES**

Included in Creditors is a Concessionary loan received from Nilkanth Estates, a registered Charity with common Trustees/Directors and also being the sole member of this company. The total loan at 31 December 2021 is £8,713,251 and includes £8,201,331 for the purchase of the investment property held by the Charity together with rolled-up interest at 3% per annum. The loan is repayable on an indeterminate period. The Concessionary loan has been provided by the Charity as Brandon House uses part of the property for charitable purposes.

	2021	2020
	£	£
Loan principal	8,271,331	8,271,331
Interest accruals of earlier periods	941,920	673,573
Interest charge for the current period	-	268,347
Loan repayment	<u>(500,000)</u>	<u>-</u>
Balance payable to Nilkanth Estates	<u>8,713,251</u>	<u>9,213,251</u>

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

**14. ULTIMATE CONTROLLING PARTY**

The company is a company limited by guarantee and the sole guarantor is Nilkanth Estates (Reg. Charity no.1148431). The latter is incorporated and registered in England & Wales.

Consolidated financial statements of Nilkanth Estates are available online at the Companies House website.

**15. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021	2020
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>226,683</b>	<b>(2,343)</b>
<b>Adjustments for:</b>		
Depreciation	24,080	-
Interest payable	-	268,347
Decrease/ (Increase) in debtors	5,287	25,098
Increase/(decrease) in creditors	<u>(502,109)</u>	<u>9,547</u>
<b>Net cash provided by operating activities</b>	<u><b>(246,059)</b></u>	<u><b>300,649</b></u>

**BRANDON HOUSE LIMITED**

England & Wales - Charity number 1172517

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# Accounts

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**REGISTERED COMPANY NUMBER: 10612051 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172517**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020  
FOR  
BRANDON HOUSE LIMITED**

BRANDON HOUSE LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2020

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The Trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2020. The Trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charitable company's purposes, as set out in the Objects clause contained in the Company'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 nominal or market rent.

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

The Charity seeks to meet its aims and objectives by periodically donating surplus funds to other charities which promote and deliver the same aims and objectives such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS) or to its parent charity, Nilkanth Estates, who share the same aims and objectives.

### **Achievements in the year**

During the year, the Charity continued to receive rental income from the letting of its industrial units and provided part of its buildings at a peppercorn rent for use by BAPS for its charitable purposes which are similar to those of the Charity.

### **Reclassification of land and buildings for mixed use**

The Trustees reviewed the accounts of the 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 Note 7 and Note 8 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. The investment part of the property has been recognised at year-end fair value. 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.

### **Impact of Covid 19**

Despite the lockdown and restrictions imposed on the Charity as a result of the Covid-19 pandemic, the Charity did not suffer significantly from loss of income from its investment property despite having given a rent concession to the tenant till 31 December 2021 to assist them with disruptions to their business as a consequence of the pandemic. Businesses generally have been given such temporary concessions and with the nation coming out of the pandemic, business is returning and full rents resumed.

BAPS, were prohibited from holding congregations during the pandemic, however, expect to resume activities as restrictions are eased. Governance of the Charity by its Trustees was not impacted.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities on a yearly basis. This review looks at what we achieved and the outcomes of our work in the current period and to continue the review on an ongoing basis. 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**

Volunteers are an important resource for the Charity and are involved in all of our activities. The Trustees also give their time freely.

## **FINANCIAL REVIEW**

### **Financial review**

The Statement of Financial Activities (SOFA) shows net incoming and outgoing resources for the year.

During the year, the Charity had a net (deficit) before gain on revaluation of investment properties of (£2,343) (2019: surplus £5,430).

As at the balance sheet date, the Charity has net funds of £3,237,690 (2019: deficit (£278,636)).

The deficit for the year arose as a result of the rent concession to tenants during the pandemic referred to above. Full rents will be received from 1 January 2022. In addition, from 1 January 2021, Nilkanth Estates, the Charity's parent, has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes. The Charity is therefore expected to have surplus funds annually thereafter.

The Charity is supported by its parent, Nilkanth Estates, which has surplus unrestricted funds of £83m at 31 December 2020 and, therefore, these financial statements have been prepared on a going concern basis.

### **Principal funding sources**

The Charity's activities are mainly financed by funds raised through rental income, voluntary donations and financial support from its parent, Nilkanth Estates.

### **Reserves policy**

The Trustees review the Reserve Policy annually. Their policy is to hold sufficient cash reserves to meet the operating costs of the Charity which are minimal and in respect of premises costs of the property used by BAPS for charitable purposes. Surplus funds from donations and rental income are accumulated and used for the furtherance of the Charity's objectives.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Brandon House Limited is a registered charity (number 1172517) under the Charities Act 2011 and is a charitable organisation incorporated in England on 9 February 2017 as a company limited by guarantee under Company number 10612051.

The Charity is controlled by its governing document, Memorandum and Articles of Association.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **Registered Company number**

10612051 (England and Wales)

### **Registered Charity number**

1172517

### **Registered office**

104 College Road  
Harrow  
HA1 1BQ

**Trustees**

Mr K Bhattessa	Hotelier
Mr Y M Patel	Company Director
Mr V H Patel	Retired (stood down 26.09.2021)
Mr J M Patel	Company Director
Dr M R Shah	Doctor

There are 5 Trustees and they have responsibility for meeting the obligations of the Charity.

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.

Under the requirements of the Articles of Association of the Charity, the current Trustees may appoint new and additional Trustees, (subject to a maximum of five Trustees at any time) by passing of a resolution at a Trustees' meeting. Each trustee shall hold office for an initial term of three years, renewable by re-appointment for further terms of three years. Existing Trustees may propose the appointment of new Trustees, however, any such appointment requires approval by BAPS India.

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.

**Auditors**

MHA MacIntyre Hudson  
Sixth Floor  
2 London Wall Place  
London  
EC2Y 5AU

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also the directors of Brandon House Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 30 September 2021 and signed on its behalf by:



.....  
Mr J M Patel - Trustee

## Opinion

We have audited the financial statements of Brandon House Limited (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 December 2020, and of its incoming resources and application of resources, including its 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 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 expected investment income and assurances provided by the charitable company's parent company, Nilkanth Estates, to provide financial assistance should it become required.

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.

BRANDON HOUSE LIMITED

REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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### **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 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

### **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 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 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:

- 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 control systems in place and testing the effectiveness of the controls;

REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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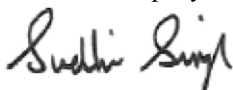
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- 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 behalf of

**MHA MacIntyre Hudson**

Statutory Auditor

London, United Kingdom

Date: 30 September 2021

## BRANDON HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)  
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 Unrestricted funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	4,389	67,151
Investment income	3	<u>266,668</u>	<u>311,484</u>
<b>Total</b>		<u>271,057</u>	<u>378,635</u>
<b>EXPENDITURE ON</b>			
Raising funds	4	5,053	109,923
Provision of facilities	13	<u>268,347</u>	<u>263,282</u>
<b>Total</b>		<u>273,400</u>	<u>373,205</u>
<b>NET (EXPENDITURE)/INCOME</b>		(2,343)	5,430
Gains on Revaluation of fixed assets	12	3,518,669	-
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>(278,636)</u>	<u>(284,066)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>3,237,690</u>	<u>(278,636)</u>

The notes form part of these financial statements

BALANCE SHEET  
AT 31ST DECEMBER 2020

	Notes	2020 Unrestricted funds £	2019 Total funds £
<b>FIXED ASSETS</b>			
Tangible Assets	7	1,720,000	-
Mixed use assets/ Investment property	8	10,000,000	8,201,331
		<u>11,720,000</u>	<u>8,201,331</u>
<b>CURRENT ASSETS</b>			
Debtors	9	188,028	213,126
Cash at bank		624,446	323,797
		<u>812,474</u>	<u>536,923</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(81,533)	(71,986)
		<u>730,941</u>	<u>464,937</u>
<b>NET CURRENT ASSETS</b>			
		<u>730,941</u>	<u>464,937</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		12,450,941	8,666,268
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	(9,213,251)	(8,944,904)
		<u>3,237,690</u>	<u>(278,636)</u>
<b>NET LIABILITIES</b>			
		<u>3,237,690</u>	<u>(278,636)</u>
<b>FUNDS</b>			
Unrestricted funds	12	3,237,690	(278,636)
		<u>3,237,690</u>	<u>(278,636)</u>
<b>TOTAL FUNDS</b>			
		<u>3,237,690</u>	<u>(278,636)</u>

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

The financial statements were approved by the Board of Trustees on 30 September 2021 and were signed on its behalf by:



.....  
Mr J M Patel -Trustee



.....  
Mr K Bhattessa -Trustee

The notes form part of these financial statements

BRANDON HOUSE LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	15	<u>300,649</u>	<u>165,359</u>
<b>Net cash provided by (used in) operating activities</b>		<u>300,649</u>	<u>165,359</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>300,649</b>	165,359
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>323,797</u>	<u>158,438</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>624,446</u>	<u>323,797</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	As at 01 January 2020 £	Cash flows £	As at 31 December 2020 £
Cash at bank and in hand	323,797	300,649	624,446
Debt due after one year	(8,944,904)	(268,347)	(9,213,251)
	<u>(8,621,107)</u>	<u>32,302</u>	<u>(8,588,805)</u>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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), 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.

### **Going Concern**

The Charitable Company had net funds amounting to £3,327,690 (2019: deficit £278,636) at year-end. The Directors have assessed the going concern risks to the Charitable Company and have concluded that:

- financial projections indicate that the Charity will continue to meet its liabilities as they fall due over the next twelve months from the date of approval of these financial statements.
- The Charity's parent undertaking, Nilkanth Estates, has confirmed that if required, it will make available such funds as are needed by the Charitable Company for the period covered by the forecasts.

These forecasts are based on full rents resuming after the temporary concession due to the pandemic, as well as the agreed waiver of loan interest from 1 January 2022 by Nilkanth Estates on its loan to the Charity.

Although measures are being taken by the UK government to ease the lockdown restrictions, the duration and impact of the COVID-19 pandemic remains unclear at this time. Therefore it is not possible to accurately estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charitable Company in the short or long term. However, this is not considered to constitute a material uncertainty regarding going concern.

### **Income**

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

### **Rental Income**

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 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.

### **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.

**1. ACCOUNTING POLICIES - continued****Mixed Use Assets**

Property held for a combination of financial return and contribution to the Charity's purposes is classified as mixed use assets.

Under FRS102, the element of the asset held for financial return requires revaluation at year-end fair value.

**Taxation**

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

**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 to which they relate.

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

**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.

**Concessionary loans**

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND LEGACIES**

	<b>2020</b>	2019
	£	£
Donations	<b>4,389</b>	64,400
Donated services and facilities	-	2,751
	<b><u>4,389</u></b>	<u>67,151</u>

**3. INVESTMENT INCOME**

	<b>2020</b>	2019
	£	£
Rents received	<b><u>266,668</u></b>	<u>311,484</u>

**4. RAISING FUNDS****Investment management costs**

	<b>2020</b>	2019
	<b>£</b>	£
Rates	<b>(10,351)</b>	132,093
Gas	<b>305</b>	2,204
Repairs and maintenance	<b>275</b>	(40,000)
Insurance	<b>2,650</b>	2,650
Bank charges	<b>33</b>	63
Sundries	<b>13</b>	113
Electricity	<b>7,928</b>	12,800
Audit fees	<b>4,200</b>	-
	<b><u>5,053</u></b>	<u>109,923</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2020</b>	2019
	<b>£</b>	£
Auditors' remuneration	<b><u>4,200</u></b>	<u>2,751</u>

**6. ANALYSIS OF STAFF COSTS, TRUSTEES' REMUNERATION AND BENEFITS**

The Charity is managed and operated by its Trustees and there are no employees.

All Trustees give their time voluntarily and receive no remuneration or benefits from the Charity.

There were no Trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

**7. TANGIBLE FIXED ASSETS**

	<b>Freehold buildings £</b>
<b>COST</b>	
At 1st January 2020	-
Reclassification	1,720,000
	-----
<b>At 31 December 2020</b>	<b><u>1,720,000</u></b>

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 (see Note 8 below) as set out in Charity SORP para 10.47. The element which is used for operational purposes, being 20% of the total floor space of the property, has been reclassified as a tangible fixed asset and recognised at historic cost, in line with the SORP. As the change in judgment occurred at the year-end, this element of the property will not begin being depreciated until 1 January 2021.

**8. MIXED USE ASSET/ INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1st January 2020	<b>8,201,331</b>
Reclassification to tangible fixed assets	(1,720,000)
Revaluation	<u>3,518,669</u>
At 31 <sup>st</sup> December 2020	<b><u>10,000,000</u></b>

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 (see Note 7 above) and investment purposes as set out in Charity SORP para 10.47.

The Trustees 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, and trustee consideration of current market factors 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.

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	21,727	46,825
Other debtors	<u>166,301</u>	<u>166,301</u>
	<b><u>188,028</u></b>	<b><u>213,126</u></b>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	10,429	-
Other creditors	66,904	66,845
Accrued expenses	<u>4,200</u>	<u>5,141</u>
	<b><u>81,533</u></b>	<b><u>71,986</u></b>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Concessionary Loans	<u>9,213,251</u>	<u>8,944,904</u>

The Charity's parent charity, Nilkanth Estates, provided a loan to the Charity of £8,201,331 in 2017 for the purchase of the Charity's Brandon House 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. Nilkanth Estates has agreed to waive interest charges on its loan to the Charity since the premises are used for charitable purposes.

**12. MOVEMENT IN FUNDS**

<b>Unrestricted funds</b>	<b>2020</b>	2019
	£	£
At start of the year	(278,636)	(284,066)
Incoming resources	271,057	378,635
Resources expended	(273,400)	(373,205)
Impairment provision	-	5,430
Gain on revaluation of fixed asset investments	3,518,669	-
	<u>3,237,690</u>	<u>(278,636)</u>
<b>At end of the year</b>	<u><b>3,237,690</b></u>	<u><b>(278,636)</b></u>

**13. RELATED PARTY DISCLOSURES**

Included in Creditors is a Concessionary loan received from Nilkanth Estates, a registered Charity with common Trustees/Directors and also being the sole member of this company. The total loan at 31 December 2020 is £9,213,251 and includes £8,201,331 for the purchase of the investment property held by the Charity together with rolled-up interest at 3% per annum. The loan is repayable on an indeterminate period. The Concessionary loan has been provided by the Charity as Brandon House uses part of the property for charitable purposes.

	2020	2019
	£	£
Loan principal	8,271,331	8,271,331
Interest accruals of earlier periods	673,573	413,042
Interest charge for the current period	<u>268,347</u>	<u>260,531</u>
Balance payable to Nilkanth Estates	<u><u>9,213,251</u></u>	<u><u>8,944,904</u></u>

The Charity 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 the Charity, is also director of Beddington Conference Centre Limited.

**14. ULTIMATE CONTROLLING PARTY**

The company is a company limited by guarantee and the sole guarantor is Nilkanth Estates (Reg. Charity no.1148431). The latter is incorporated and registered in England & Wales.

Consolidated financial statements of Nilkanth Estates are available online at the Companies House website.

**15. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2020</b>	2019
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(2,343)</b>	5,430
<b>Adjustments for:</b>		
Interest payable	268,347	260,531
Decrease/ (Increase) in debtors	25,098	(16,378)
Increase/(decrease) in creditors	<u>9,547</u>	<u>(84,224)</u>
<b>Net cash provided by operating activities</b>	<u><b>300,649</b></u>	<u><b>165,359</b></u>