

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**

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 16

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

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:



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;

REPORT OF THE INDEPENDENT AUDITORS
FOR THE YEAR ENDED 31 DECEMBER 2021

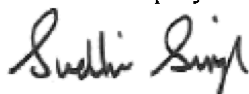
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
-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

		2021 Unrestricted funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	-	4,389
Investment income	3	<u>266,667</u>	<u>266,668</u>
Total		<u>266,667</u>	<u>271,057</u>
EXPENDITURE ON			
Raising funds	4	39,984	5,053
Provision of facilities	13	<u>-</u>	<u>268,347</u>
Total		<u>39,984</u>	<u>273,400</u>
NET INCOME/ (EXPENDITURE)		226,683	(2,343)
Gains on Revaluation of fixed assets	12	-	3,518,669
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>3,237,690</u>	<u>(278,636)</u>
TOTAL FUNDS CARRIED FORWARD		<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 £
FIXED ASSETS			
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>
CURRENT ASSETS			
Debtors	9	182,741	188,028
Cash at bank		<u>378,387</u>	<u>624,446</u>
		561,128	812,474
CREDITORS			
Amounts falling due within one year	10	(79,424)	(81,533)
NET CURRENT ASSETS		<u>481,704</u>	<u>730,941</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,177,624	12,450,941
CREDITORS			
Amounts falling due after more than one year	11	(8,713,251)	(9,213,251)
NET LIABILITIES		<u>3,464,373</u>	<u>3,237,690</u>
FUNDS	12		
Unrestricted funds		<u>3,464,373</u>	<u>3,237,690</u>
TOTAL FUNDS		<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 £
Cash flows from operating activities:			
Cash generated from operations	15	<u>(246,059)</u>	<u>300,649</u>
Net cash provided by (used in) operating activities		<u>(246,059)</u>	<u>300,649</u>
Change in cash and cash equivalents in the reporting period		<u>(246,059)</u>	<u>300,649</u>
Cash and cash equivalents at the beginning of the reporting period		<u>624,446</u>	<u>323,797</u>
Cash and cash equivalents at the end of the reporting period		<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>

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

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 £
<u>Cost</u>	
At 1st January 2021	1,720,000

At 31 December 2021	<u>1,720,000</u>
<u>Depreciation</u>	
At start of the year	-
Charge for the year	24,080

At end of the year	<u>24,080</u>
<u>Net Book Values:</u>	
At end of the year	<u><u>1,695,920</u></u>
At start of the year	<u><u>1,720,000</u></u>

8. MIXED USE ASSET/ INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st January 2021	10,000,000

At 31 st December 2021	<u><u>10,000,000</u></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.

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>
At end of the year	<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
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	226,683	(2,343)
Adjustments for:		
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>
Net cash provided by operating activities	<u>(246,059)</u>	<u>300,649</u>